

July 1997

Dear Mayor, City Council and Citizens of Kansas City,

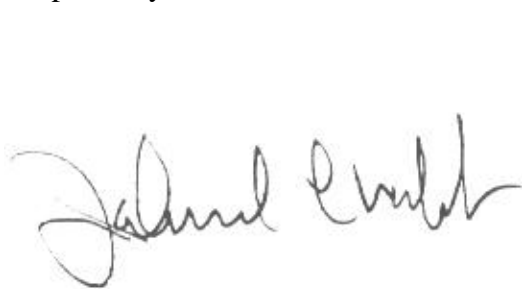
As Co-chairs of the FOCUS Kansas City Governance Plan and on behalf of the Governance Work Team, the Community Advisory Team, and other volunteers participating in the development of the Plan, we are happy to present the Governance Plan to you.

The FOCUS Kansas City Plan is our community's strategic road map for the next 25 years. The Governance Plan, one of seven plan components in FOCUS designed to implement the Policy Plan adopted by City Council in 1994, is critical in its own right, but also as a framework to insure that the other six component plans can be implemented over the 25 year time horizon.

Governance is the decision-shaping system in a community that recognizes that our civic infrastructure, our corporations, our neighborhoods, and our citizens also have responsibility for making our community a better place to live. The Governance Plan makes recommendations in four areas: city finance, city management, regional leadership, and citizenship. It is our belief that they fulfill the policy directive from Phase I, The Policy Plan for FOCUS: "The responsibility for good government rests with the whole community not just elected officials...Citizens must engage themselves and become partners in the public process by being better informed and gaining a greater understanding of responsibility to the community."

Thank you for this opportunity to help shape Kansas City's future. To implement the Governance Plan, it is clear that City Hall must provide the leadership to establish not only a new agenda, but new partnerships for solving community problems in innovative and more connected ways. We are ready to fulfill our role as partners in building the New American City.

Respectfully submitted,



John C. Craft
Co-chair



Maurice Watson
Co-chair

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Acknowledgements

FOCUS — FORGING OUR COMPREHENSIVE
URBAN STRATEGY

Introduction

Kansas City, Missouri is facing the challenges of the 21st Century with a new set of tools, a new spirit of cooperation and a new commitment to future generations that our city will be a thriving, people-centered community and a successful model for other American cities to follow in the future.

Thousands of Kansas City citizens have created this blueprint for our city's future. Organized in teams to address critical issues, volunteers from all neighborhoods and walks-of-life donated their ideas and hard work to FOCUS Kansas City. This important project is a unique partnership between the City of Kansas City, Missouri and its citizens to develop an action plan that our entire community can support as we enter the 21st Century.

FOCUS — Forging Our Comprehensive Urban Strategy — is Kansas City's "to do" list for the next 25 years. It sets priorities and guides decisions about neighborhoods, jobs, taxes, capital improvements, public safety, education, downtown and much more. Millions of dollars are invested every year by both the private and public sectors to make our community work. FOCUS helps us target those investments to work smarter with the money we have. We are taking steps now to make sure Kansas City is not only a viable city in the year 2000 but also a successful model of a new kind of American city.

The FOCUS Plan began in 1992 with 1,000 volunteers contributing over 20,000 hours to design a clear vision for Kansas City. The Mayor and City Council, in partnership with the FOCUS Kansas City Steering Committee of 24 civic leaders guided an innovative citizen-participation process that resulted in a new Policy Plan for the City of Kansas City, Missouri. Adopted by the City Council in 1994, the FOCUS Policy Plan outlines a vision statement and 14 Principles for Policy.

FOCUS Vision Statement

The following statement is what Kansas City aspires to become in the future. It says that people are the priority in Kansas City and that taking care of people will result in improvements in all areas of our city. The vision emerged as a powerful statement of inspiration from the citizen involvement process.

We, as Kansas Citians, envision our city as a people-centered community. From economic development to the readability of street signs, we consider people first. Kansas City shapes and guarantees its future by examining first and foremost the impact of every decision on future generations.

We, as Kansas Citians, are full of hope. We demonstrate this hope through our investment in our families, our homes, or neighborhoods, our schools, our businesses and our city.

FOCUS Principles for Policy

The following principles are the fourteen major themes and statements of philosophy that are essential for the City to achieve its vision. These are the foundation of our City's character. All City actions are measured against these fourteen principles. They were derived from the wealth of citizen ideas generated in the Phase I Perspective Group process.

Reaffirm and Revitalize the Urban Core

Central to the city's vitality is the Urban Core, with its diverse population, historic neighborhoods; cultural, recreational, and sports attractions; central business corridor, and its revival as a pleasant and sought-after place to live, work, do business and learn.

Advance and Encourage Quality Suburban Development

The health of our city depends on recognizing the interdependency of the city's suburban areas and the Urban Core. Each must be healthy for the city to attract development and grow. Quality

suburban development enables the city to compete for residents and jobs and is an important part of the city's ability to grow in the future.

Plan for a Well Designed City Framework

The design and maintenance of the city's transportation and infrastructure systems create a framework for sustainable development. Excellent planning systems create a framework for sustainable development. Excellent planning and urban design create a unique city that is physically unified and beautiful.

Strengthen Neighborhoods

Well planned neighborhoods create identifiable communities in which to attain a sense of belonging, forge common goals and work together.

Ensure Environmental Stewardship

Natural resources and energy are valuable assets we should use judiciously and manage wisely for the benefit of present and future generations.

Create a Secure City

Personal comfort, safety, security and peace of mind are essential to residents and businesses in livable city.

Respect Diversity

Social, gender, cultural, ethnic, racial, economic and religious diversity bring richness to the city.

Advance Education, Culture and the Arts

Learning is fundamental to citizenship, self enrichment and employment. A strong, vibrant cultural and arts environment takes citizens beyond everyday concerns, adds to their quality of life and supports the city's economic base.

Develop Jobs for the Future

The far-reaching effects of technological change and a new global economy challenge Kansas City to identify its competitive role and provide employment opportunities for its citizens.

Create Opportunity

Community and individual self esteem and growth flourish in the presence of equitable opportunities and resources.

Create a Better Future for Our Young People

Positive environments and attitudes that recognize and encourage children to be productive and enable them to be healthy will prepare our youth for tomorrow's world.

Target Financial Investments Strategically

The City must have a sustainable tax base and must help target financial investments where they will be most effective and where they will achieve the city's vision.

Build Government through a Strong Partnership with Citizens

Responsive and creative governance connects and stimulates cooperation between government, citizens, and business and community organizations.

Build Metropolitan Leadership and Regional cooperation

The City of Kansas City is at the center of a metropolitan community where the challenges of building on the region's strengths and addressing its problems demand a collective response.

FOCUS Phase II — The Strategic and Comprehensive Plan

Based upon the Phase I Policy Plan, work began in 1995 on the strategic and comprehensive plan. Utilizing the key concepts of balance, linkage and partnership, seven distinct, but interwoven component plans were developed to detail the action steps needed to make the FOCUS vision and policy principles a reality.

An expanded Steering Committee, with the help of seven Work Teams made up of over 350 people and additional Community Advisory Teams developed the seven component FOCUS plans. They are outlined below:

The Citywide Physical Framework Plan provides strategic land use planning guidelines, addresses the future character of growth, development and redevelopment as well as capital needs of the City.

The Neighborhood Prototypes Plan recommends specific actions to improve Kansas City neighborhoods and encourage resident partnerships in determining their future and delivery of city services. A unique neighborhood assessment process helps citizens target city services and specific strategies to their distinct requirements.

The Preservation Plan highlights the importance of Kansas City's rich legacy of landmark structures, historic neighborhoods, and archeological resources that make our city a special place. Strategies on transportation, urban design, capital improvements, and tourism complete our vision of the future from a preservation perspective.

The Urban Core Plan includes inventive strategies for central city neighborhoods, downtown, the Central Business Corridor, and plans for economic development, jobs, capital improvements, public transit and neighborhood livability. Strategies for the location of cultural facilities, marketing the urban core, revitalizing and sustaining neighborhoods are outlined in this plan.

The Northland Plan targets investment strategies to maintain our existing neighborhoods, and encourages development where public facilities (water, sewer, streets) already exist. Protecting the natural environment and current character of the Northland are fundamental to the plan. Specific transportation improvements are recommended to improve east-west traffic, extend the boulevard system north of the river and create pedestrian and bicycle friendly thoroughways.

The Human Investment Plan outlines recommendations related to life long education, retaining and encouraging diversity, equipping citizens for the changing work environment, job retention and expansion strategies, programming for stimulating interest in culture and the arts as well as practical life skills for Kansas City's youth, and enhancing Kansas City as a place of excellence, creativity, celebration and unity.

The Governance Plan sets out specific strategies for improving city services, establishing and maintaining the financial health of the city, strengthening metropolitan cooperation and political and organizational restructuring to insure implementation of the FOCUS initiatives.

As the seven Work Teams refined their ideas, they consistently worked together toward bold solutions and overlapping, leveraged opportunities. The result is a very interconnected plan that provides a new decision-making framework for complex issues enabling all parts of the city to work in concert toward the same goals.

Interwoven throughout the seven action plans are 12 key strategies called “Building Blocks”. With these strategies, we will implement the FOCUS Plan through programs and projects that will make Kansas City a successful model for a new American City. The specific initiative and action steps outlined in each of the seven FOCUS Plan components relates to these Building Blocks. A more detailed description of the Building Blocks can be found in the document entitled FOCUS Kansas City — An Overview.

FOCUS KANSAS CITY
Building Blocks

Community Anchors



Investing in Critical Resources



Citizen Access and Communication



Healthy Community



City Life



Neighborhood Livability



Competitive Economy



Life-Long Learning



Connecting Corridors



Moving About the City



FOCUS Centers



Quality Places to Live and Work



Building The New American City

Making Connections For The 21st Century

The qualities in our heritage that have made us a great city will also help us move into the 21st Century as the New American City. Kansas City has always had the willingness to take the bold step — from the construction of the Hannibal Bridge in 1869, that guaranteed us pre-eminence as the gateway to the west; to the 1960s vote on the public accommodations ordinance that guaranteed all Kansas Citians access to public places regardless of race; to the passage of the Bi-State Cultural Tax in the 1990s. We have a history of innovation that will help us as we face our future challenges.

Current trends tell us that the American city of the 21st Century will be an eclectic place with a diverse population, a diverse economic base, and an array of lifestyle and job choices. Kansas City can uniquely position itself to become a model for this new kind of city because we do not experience the extreme problems of larger cities. It is our Midwestern sensibility and civility that will provide a foundation for the necessary move beyond our agrarian and manufacturing roots into a new era of information technology and a global economy. To thrive, Kansas City must understand its own strengths and begin to act as one connected city with a clear agenda for the future.

FOCUS emphasizes connections — connecting people to places, people to each other and our past to our future. If we can act as one connected city with an optimistic vision, a unifying strategy and clear action steps, we can build a city that works for people.

Kansas City has the natural, physical, and human resources necessary for success. We also recognize that failure occurs when our actions seek to divide, so we must continue to stress and improve our connections. A connected Kansas City favors solutions that, in their holistic and long-term emphasis, are also flexible and responsive to ever-changing technology. This approach requires business, civic, educational, and social orientations that embrace advancements in telecommunications and information systems as ways of extending pathways into the future and mandates investments that keep Kansas City on the cutting edge of these technologies and connected to the global economy.

As a prescription for unified success, the New American City is a new way of thinking and acting. The following pages represent Kansas Citians' commitment to our city, our children and our aspirations for the future.

The Governance Work Team also used the FOCUS Building Blocks as a way of bringing together the hundreds of initiatives that were developed to achieve the FOCUS vision of Kansas City under the unified direction. A complete list of all FOCUS initiatives and recommended actions is provided in the FOCUS overview document as well as in Appendix D of the Governance Plan. The Building Blocks represent the guiding strategies that will be implemented under the seven FOCUS plans to make Kansas City a better place to work and live in the future.

Focus Building Blocks

A description of all 12 Building Blocks is provided in the FOCUS overview document. The Governance Work Team used these Building Blocks as the foundation for developing the initiatives that are included in this plan. The Building Blocks with the strongest relationship to Governance are listed below.



Citizen Access and Communication

Communication and access to the information being communicated are the elements most critical for creating a well-educated, active, and informed citizenry that will create the connections between people and their government that the New American City demands. Information and communication can also help foster citizenship and provide information that will engage residents in what is happening at both City Hall and in the larger community. Because of its central role in fostering citizenship, the City will take the lead role in forming partnerships with private and public sectors to establish a system of communication for and among the people of Kansas City.



Investing in Critical Resources

Kansas City's "critical resources" are really the most basic city services and tend to be those aspects of public service most appropriately managed by local government. This does not mean they are the only critical resources or basic services in the City but that these services come to the forefront in terms of their priority. This building block explains the most fundamental responsibilities of City government as an organization and an institution within the community with regard to fundamental responsibilities such as: protecting the lives and property of Kansas Citians,

providing responsible stewardship of the public's capital assets, and safeguarding the natural environment. In this context, the critical resources building block can be thought of as the City government building block because it defines the irreducible obligations of Kansas City government.

Community Anchors

A community anchor is an organization that contributes to the identity, stability, and growth of specific neighborhoods or the community at large. An anchor may have this impact for many reasons — because of its size, role, activities, history, location, or tenure in the community, and also because it chooses to be an anchor and has the capacity to be one. Many such anchors are institutions such as foundations, hospitals, community clinics, universities, churches, schools, community centers, community development corporations, and similar organizations and facilities. Others are corporations, lenders, and other businesses without a significant history or presence in the community. Most anchors work within a neighborhood or a group of adjacent communities. A few have a citywide perspective and work throughout the city. The New American City will recognize and reward current anchors and attempt to attract new ones. It will encourage enterprises to become community anchors and promote the benefits of being one.



Healthy Community

The New American City is a healthy city. As an essential element of this healthy city, an acceptable quality of life must be ensured for all residents. The emphasis in Healthy Community is on preventing problems before they start rather than alleviating problems once they become entrenched. The City's most vulnerable citizens may need special attention so they can get the services they need. In addition, all citizens must feel safe and be safe. Kansas City must be a city that nurtures and protects its citizens. The healthy City has a commitment to anti-racism programs. It will also include and increase in citizen involvement with government and an increase in ethical standards of government.



Neighborhood Livability

Kansas City is a city of neighborhoods. In order for Kansas City to be the successful New American City, neighborhoods must be livable. Livable neighborhoods connect people physically and socially. They have an identity based on physical character, people, history, and residential involvement. They are responsive to the needs and desires of people.



They are healthy in terms of housing conditions, neighborhood cleanliness, well-being, and the health of the people who live in them. Neighborhood identity, connectedness, health, and responsiveness are essential components of the Neighborhood Livability building block for the New American City.



Moving About the City

The ability to move people and goods throughout the City and to connect all locations within the City is essential to the City's economic, social, and cultural success. The intent of this building block is to increase the ease of, and broaden options for, moving about the city, and to create logical extensions of the existing transportation network. The New American City will have an environment that encourages and allows people to move comfortably around the City by whatever means they desire. This requires attention to, and integration of, many different ways of moving from place to place — called multi-modal transportation.



FOCUS Centers

FOCUS Centers will provide places for neighborhood activities and easy access to City services. This building block seeks the creation of places all over the City where residents can get information about City services, send messages to council members, participate in meetings with neighbors, or safely drop off children to play with friends. These centers would be conveniently located in shopping centers, schools, or community centers, and they would be tailored to meet specific neighborhood needs.



Competitive Economy

To achieve the goals of the New American City, Kansas City must maintain a competitive economy. The City's location in the center of the country, quality workforce, affordability, strength in innovative technology, and quality neighborhoods have made Kansas City a successful business center in the region and the nation. Working with business and labor, the City must take the lead in changing the economic infrastructure to meet the needs of the global economy. Evolving development strategies must also support the City's goal for a high quality of life.



A P L A N F O R G O V E R N A N C E

Executive Summary

Cities throughout the United States are standing at the brink of the 21st Century with real questions about how they will function in the future. American cities are challenged to do more with less, to reconcile numerous special interests, to improve their quality of life in the face of massive technological changes, and to work well for their citizens.

A different conversation has been developing about facing these challenges through strong community-building opportunities, partnerships and commitments that go beyond traditional city government. *Governance* is the decision-shaping system in a community that recognizes that our civic infrastructure, our corporations, our neighborhoods, and our citizens also have responsibility for making our community a better place to live. In fact, one of Kansas City's strengths is our legendary ability to come together in a crisis, regardless of who is technically responsible. Many of the ongoing efforts to make Kansas City better are recognized and incorporated into the FOCUS plan. This idea of governance respects our systems of democracy with elected officials and representative government and builds on that to enhance the citizenship responsibility for participation and informed action.

The FOCUS Kansas City Plan is our community's strategic road map for the next 25 years. The Governance Plan, one of seven plan components in FOCUS designed to implement the Policy Plan adopted by City Council in 1994, is critical in its own right, but also as a framework to insure that the other six component plans can be implemented over the 25 year time horizon.



FOCUS Kansas City was built on the recognition that city government cannot solve all of this city's identified problems alone with dwindling resources. One of the primary reasons for undertaking such a massive, interconnected strategic plan was to determine how we can all work smarter with the resources we do have. Phase I, The Policy Plan for FOCUS, stated:

"The responsibility for good government rests with the whole community not just elected officials.....Citizens must engage themselves and become partners in the public process by being better informed and gaining a greater understanding of responsibility to the community."

To implement the Governance Plan, it is clear that City Hall must provide the leadership to establish not only a new agenda, but new partnerships for solving community problems in innovative and more connected ways. Public and private leadership, partnerships, commitments and actions are all instrumental for the plan's success. FOCUS will emphasize unity and connections in providing better ways for government to provide information and services to citizens, in funding programs and offering incentives to businesses, in cooperation with other governmental jurisdictions toward common goals, in establishing and supporting neighborhoods that unite all parts of the community. FOCUS will foster partnerships that bring together citizens, governments, businesses and other sectors of the community to achieve common ends.

The theme of community responsibility has filtered through the entire FOCUS plan. The collective aspirations and action initiatives of FOCUS are premised on an active and informed citizenry working in partnership with Kansas City government. Over 70% of the FOCUS recommendations involve funding through partnerships with non-profit organizations, other governmental bodies, and individual citizens.

Work Team Purpose And Organization

The purpose of the Governance Plan component of FOCUS is to provide a framework for decision making and specific action steps for elected officials, civic, corporate, institutional, neighborhood leaders and citizens to follow in order to achieve the people-centered New American City envisioned by FOCUS.

Mr. Jack Craft and Mr. Maurice Watson served as the Co-Chairs of the Governance Work Team. In order to implement their charge, the Work Team organized around four subcommittees. Each sub-committee was chaired by a member of the Work Team and had a consultant team member specifically assigned to it.

The four sub-committee were as follows:

Financing

Tax structure, other revenue sources, capital and financial management

Subcommittee Chair: Jewell Scott

Development Incentives

Targeted use of development incentives and the approval processes for granting their use.

Subcommittee Chair: David Warm

City Services

Basic service outcomes, alternative service delivery systems and city management organizational issues.

Subcommittee Chair: Jack Holland

Citizenship

Build strong partnerships between citizens, city government and community interests.

Subcommittee Chair: Nancy Butler

The work of these subcommittees, with input from the other Work Teams, resulted in the establishment of six “Governance Framing Issues” that formed the foundation of the aspirations and applications outlined in the plan.

Governance Framing Issues

To establish a basis for action, six “Big Picture Ideas” were developed by the Governance Work Team.

The FOCUS Gallery sessions, where all Work Team members shared their ideas, provided an opportunity to test these “Big Picture Ideas”; their relations and benefits to implementing FOCUS initiations. Input from the Gallery sessions was utilized to refine the “Big Picture” ideas and develop six interconnected and strategic “Framing Issues” for guiding the Governance Work Plan.

These Framing Issues are as follows:

Organize Governance For Outcomes Rather Than Functions

City governance must be more concerned about the ends than the means. City government structure, service programs, delivery mechanisms and the like should all flow from a clear articulation of the community benefits we seek. Preservation of entrenched bureaucratic interests for their own sake is unimportant.

The City Is Not An Island

Kansas City exists at the center of one of the nation's largest urban centers. The governance decisions made in Kansas City have profound impacts on the region, as the governance decisions in the region profoundly impact the center city. Inter-governmental cooperation, regional service delivery, cost and revenue sharing are essential to our long term success as a community.

Citizenship Is A Two-Way Street

Kansas Citizens should not see themselves as passive recipients of local governmental services. Rather, good governance depends upon the active and committed involvement of residents in all neighborhoods. Citizens should be involved in assessing the services they need and want and have a proactive role, in partnership with the city, the private sector, other governments and their neighbors, in meeting their own needs.



City Financial Health Is Derivative Of Local Economic Health

Regional economic prosperity is a prerequisite for the comprehensive governance of the region. Governmental activities, processes and decisions that unreasonably and/or unnecessarily impede the expansion and vitality of the local economy are ultimately self defeating.

Evaluate Public Expenditures Like Investments

Every outlay of public resources should be evaluated with the same rigor a reasonable person would apply to any personal or business investment. While it will never be possible to compute a tangible "return on investment" in the pure financial sense on every governmental expenditure, it is important that decision makers spend only with a clear sense of public benefit the expenditure is intended to produce and the criteria for measuring success.

Every Citizen In Every Neighborhood Should Receive A Basic “Bundle” Of Services

Good governance does not mean that city government must be all things to all people. Even so, Kansas Citians, without respect to their economic circumstance or the neighborhood they reside in, should have assurance that certain minimum standards of service will be met. These minimum standards of services include basic infrastructure consisting of paved streets, water service, sanitary sewer service and storm drainage. In existing neighborhoods, where curbs and sidewalks do not exist but where the residents desire curbs and sidewalks, the City will work with them on cost and funding options. Minimum standards for infrastructure in new developments and for redevelopment of existing areas includes paved streets, curbs, sidewalks, water service, sanitary sewer service and storm drainage.



The Work Team then utilized these Framing Issues as principles to guide the development of the Governance Aspirations and Action Initiatives that follow, and are organized into four primary areas :

- City Government Financial Strategy
- City Government Management Framework
- Kansas City, Missouri’s role in the metropolitan region
- Citizenship and Community-Building

City Government Financial Strategy

The FOCUS process and resulting component plans provide Kansas City citizens and leaders with a new way of understanding and guiding the community’s physical, cultural, social, and economic development. Implementing the hundreds of Building Block initiatives and recommended actions will require that Kansas City engage resources from many private and public sources, often combining and leveraging resources from a variety of entities to achieve the desired outcome. Often this will require that the City’s financial resources be used to implement FOCUS objectives.

Underlying the strategies described in the Financial Plan is the concept that expenditures of City resources have to be viewed as investments. These investments may take many forms - spending general revenues to maintain sidewalks, providing incentives to private investment, or en-



forcing building codes. Making wise public investment choices requires that elected officials and citizens have a systematic way of evaluating investment choices and that the City's financial resources are managed in a professional manner consistent with FOCUS.

Aspiration - Kansas City should establish and follow a set of financial management strategies formulated to ensure that financial resources are available to meet present and future needs

Initiative: Revenues

Design, maintain and administer a revenue system that will assure reliable, equitable and diversified revenue streams sufficient to support desired City services

- The City shall maintain a balanced and diversified revenue structure to protect the City from fluctuations in any one source.
- To the extent practical and equitable, fee-supported services shall be self- supporting.

Initiative: Operating Expenditures - Identify priority services, establish equitable and appropriate services and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services. Major actions include:

- Operating expenditures shall be budgeted and controlled to ensure that they do not exceed current revenues.
- One time revenue sources shall be used for one time expenditures that do not result in on-going operating or maintenance costs.
- The City shall maintain funding of capital assets and infrastructure at a level sufficient to protect the city's investment, to minimize future replacement and maintenance costs, and to insure continued service provision.

Initiative: Capital Expenditures - Utilize capital expenditures to invest in infrastructure and equipment to ensure the long-term growth of the local economy and to ensure the wise use of capital resources. These strategic capital investments should be based upon a City Council approved five year Capital Improvements Plan adopted on an annual basis. Major actions include:

- The City shall annually review capital improvements and equipment needs, the current status of the city's infrastructure replacement and renovation, and potential new projects.

- The City shall establish a financial review process for private development seeking economic incentives.

Initiative: Fund Balance - Maintain a fund balance sufficient to protect the city's credit worthiness as well as its financial position from unanticipated emergencies. Major actions include:

- The City shall establish and maintain a fund balance sufficient to cover the next year's debt service payment.
- A minimum of five percent of project revenues should remain in fund balance to account for fluctuations in revenue streams.

Initiative: Debt - Establish guidelines for debt financing which minimize the impact of debt payments on current revenues and allow the City to maintain no less than an AA or equivalent credit rating. Major actions include:

- Infrastructure improvements and capital equipment financed by debt shall have a useful life that equals or exceeds the life of the bonds, shall have a useful life of at least ten years, shall be a major investment too large to be funded through an annual budget expenditure, and shall be essential to the provision of City services.
- Bond insurance costs should be minimized through a competitive selection process.

Initiative: Cash Management - Establish guidelines for efficient cash management. Major actions include:

- The City shall invest idle funds in such a manner as to ensure preservation of capital, provide adequate liquidity, and maximize interest revenues.

Initiative: Grants - Seek, apply for and administer federal, state, local and foundation grants that address the city's current priorities and policy objectives. Major actions include:

- The potential for incurring on-going costs shall be considered prior to applying for a grant.
- If there are cash match requirements, the source of funding shall be identified prior to application.

Initiative: Intergovernmental Relations - Coordinate efforts with other governmental entities to solve problems on a regional basis, achieve common policy objec-

tives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at state and federal levels. Major actions include:

- The City shall seek to work with the other local jurisdictions in joint purchasing consortia, sharing facilities, sharing equitably the costs and benefits of cooperative service delivery, and developing joint programs to improve service.

Initiative: FOCUS Financial Analysis - As the capital and operating estimates of all the FOCUS initiatives are more clearly defined, a financial analysis of the economic impact on revenue, expenditures, debt, debt rating, and cash flow will be completed in order to determine an on-going strategy for funding FOCUS priorities that are the City's responsibility.



Initiative: Voter Approval of Sales Tax

- By vote of the people, the City currently levies two half-cent sales taxes: one for capital improvement purposes, and one for capital improvement purposes that was previously used for schools. Both of these taxes expire on December 31, 2000. Under current statutes, the City is authorized to seek voter approval for an additional one half-cent sales tax for capital improvement purposes.

Aspiration - Kansas City aspires to gain greater control and/or the authority to determine its own tax structure.

Initiative: Legislation - Evaluate current state legislation and craft amendments and/or new legislation to improve the city's ability to fund its operating and capital improvement needs. Major actions include:

- Change majority voting requirements for taxes, fees, and general obligation bond elections.
- Change state statutes to give local governments more authority to ask voters directly about changes in taxation and fees.

Aspiration - The City will use development incentives to encourage private development that achieves FOCUS priorities and is proactive whenever possible.

Initiative: Community Benefits - Every development incentive should be an investment in the community's future. Therefore, there should be expectations that the community will gain from these investments. The city's intention is to provide seed money to encourage investment, rather than unlimited, continuous funding. Major actions include:

- The community should be able to obtain more in revenues, over time, than the property would produce without the use of incentives.
- The community should consider other forms of return in addition to or in lieu of financial returns.
- Kansas City should not receive a return on its incentive investment at the expense of other jurisdictions in the bi-state metropolitan area, nor should Kansas City be a net loser of development and resources due to actions of other metropolitan jurisdictions.
- Jurisdictions measurably affected by the use of development incentives should participate in the decision to authorize the incentives.
- Projects receiving development tax incentives shall meet multiple priorities.



Initiative: Review Process - The City should follow a consistent and predictable review process. Major actions include:

- The City shall establish a unified review process for each type of incentive available that will communicate requirements before the process begins.
- The City shall monitor performance to determine if the conditions of the incentive are being fulfilled.

Initiative: Development Incentive Review and Evaluation - Evaluate existing development projects and districts and available incentives and possibly create new incentive tools or adapt existing tools to meet contemporary development challenges. Major actions include:

- The City Plan Commission should systematically review existing development projects and districts that have been granted tax abatement, TIF, or other incentives (but have never been built) for consistency with FOCUS priorities and determine which ones should be sunsetted.

Initiative: Incentives - The City shall encourage the use of other incentives (besides tax incentives). Major actions include:

- The City shall provide other incentives for the following: Promoting owner- occupancy, contiguous development accomplished



through the development process, clustered development, providing light rail transit, funding and constructing parkways and boulevards, promoting special business districts, promoting anchors, and encouraging capital improvements

Aspiration - Kansas City should establish and adhere to guidelines for making decisions on major financial investments.

Initiative: Community Impact Statement - A Community Impact Statement shall be developed and used to evaluate major expenditures and investments by the City. The Community Impact Statement will produce information in a standard format so that those considering investment decisions can have reliable and consistent information to make financial decisions in the context of the FOCUS Strategic Comprehensive Plan.

The purpose of this process is to provide useful data for City Council members and citizens as part of the financial decision-making process. The process shall include both quantitative and qualitative analyses of proposed new expenditures/ investments. Project/project proposers will prepare the Community Impact Statement and shall be reviewed by staff as part of a standard administrative process. Staff assigned to the review shall be sufficiently independent to provide effective and objective judgment. Major actions include:

- A fiscal impact analysis shall be prepared containing analysis appropriate to the project including, but not limited to: direct and indirect cost of investment, financing method and/or structure, source of revenue, potential savings or revenues generated, opportunity costs, cost/benefit, City debt position impact.
- An economic impact analysis shall be prepared containing analysis appropriate to the project including, but not limited to: direct impact, indirect impact, transfer effects, multi-jurisdictional impact.
- A strategic plan analysis to determine to what extent the proposed expenditure or investment is consistent with the 14 principles of FOCUS and the seven FOCUS Strategic and Comprehensive Plans.

City Government Management Framework

Aspiration: Kansas City government provides a guaranteed bundle of essential city services to its residents.

The city budget process is the vehicle through which annual priorities are set for city programs and services. Revenues may vary, different needs may arise at different times, and direct services to residents must be combined with services that effect the entire city, such as the airport or revenue collection. The City Council must always weigh these matters with current information and the FOCUS priorities in the budgeting cycle.

To achieve some of the long term goals identified by FOCUS, it is helpful to develop an evaluative tool for prioritizing “essential” or “basic” services to more clearly define the role and responsibility of city government in meeting the needs of the community.

Initiative: FOCUS priority services - The FOCUS planning process identified FOCUS Priority Services for the City. These services are targeted at meeting the fundamental needs of all citizens as described below:

- Protecting the lives and property of Kansas Citians
- Providing responsible stewardship of the public’s capital assets, including alternative transportation connections throughout the city with many different transportation modes in order to move people and goods throughout the city
- Safeguarding the natural environment
- Planning for quality places to live and work (neighborhood livability)
- Improving the city’s economic base by increasing property values, creating jobs, and improving opportunities and incomes of city residents.



Major actions include:

- The city should continue to develop, refine and use an objective tool to evaluate the necessity for specific city services based on the FOCUS Priority Services. City staff will produce objective rankings of city services and programs based on criteria related to

the legal basis of the service, the size of the constituency served, unique need for the City to provide the service, and any obligation demonstrated by voter approval.

- City Resources should be budgeted at levels that meet the level of services required to meet human and capital needs as expressed by the community, in the FOCUS plan.
- Operating and capital project managers should justify funding requests for the City budget with evidence of positive impact on achievement of FOCUS priorities.
- Those services that are necessary to sustain the administration of city government (tax collection, auditing, human resources, etc) should re-evaluate their missions to support FOCUS initiatives and service priorities.

Aspiration: Kansas City government has clearly established management accountability goals for implementation of FOCUS service priorities.

As in Kansas City, other major municipal governments have sought to devise organizational structures that clearly fix accountability for efficient and effective service delivery. In their search for improved management accountability coupled with enhanced citizen/customer focus, other cities have also reorganized to reduce the number of discrete operating departments, combine and/or recombine similar functions within departmental units and establish senior level managers responsible for functionally related services and activities.

Initiative: Management Structure - Organize the management structure of city government based on "service lines" derived from the FOCUS service priorities, along with the necessary supporting processes. Each service line should be headed by clearly identified, accountable senior managers who should aggressively identify and eliminate barriers to improved management and service delivery. Major actions include:

- The City Manager should be delegated the specific authority and responsibility for the detailed organizational plan of the city government within this general guideline. The Manager must be allowed to match the strengths, abilities, interests and capabilities of his/her management team to the immediate and continuing tasks of daily operation.

While the particulars of the organizational structure and plan should remain flexible and within the direct purview of the City Manager, five major service lines closely related to the priority service delivery objectives of FOCUS might be:

- Protection of lives and property of Kansas Citizens
- Providing responsible stewardship of the public's capital assets, including alternative transportation connections throughout the city with many different transportation modes in order to move people and goods throughout the city
- Safeguarding the natural environment
- Planning for quality places to live and work (neighborhood livability)
- Improving the city's economic base by increasing property values, creating jobs, and improving opportunities and incomes of city residents.
- To the extent that the city can deliver services competitively it should continue to do so. Where it cannot, the City should consider that the service be outsourced, privatized or delivered in partnership with other public and/or private entities.
- Integrate city-wide information systems to improve, simplify and speed processes. Provide “enabling technologies” to permit efficient delivery of services at the lowest possible organizational levels.
- Establish specific FOCUS priority service standards and measures for every discreet city program; invest in measurement tools and supporting technology necessary to record, track, monitor and manage achievement of established FOCUS service standards; and directly link budget allocations to measured service levels.

Aspiration: Kansas City government is a national model of citizen centered service delivery.

Citizen-centered government is grounded in the belief that City Hall listens to and responds to the specific service needs and desires of the taxpaying public. It requires a flexible, inter-departmental organization that is responsive to the needs of neighborhoods, businesses, organizations and citizens. It emphasizes problem-solving approaches to service

delivery and engages citizens in the problem solving approach. Desirable outcomes are defined with citizens and actual performance is measured against the achievement of those outcomes.

Initiative: Service Areas - The City should establish a "Service Area framework" to deliver outcomes-based city services and programs. This framework, common to all departments, would provide a flexible structure for planning, organizing, delivering, and evaluating the services across the community. Major actions include:

- Establish multi-disciplinary and cross-departmental priority service delivery teams. These teams should be collectively responsible and mutually accountable for coordinating the planning, organization, staffing, budgeting and operation of priority services for their assigned service area, specific task or issue. The exact composition of each team will be dictated by the particular needs and requirements of the service area or issue.
- The service team should have primary responsibility for the development of individualized methods and techniques for including the public in the governance process.
- Target delivery of internal city management support systems and support to the service teams.
- Establish clear measures of employee and work unit performance in the achievement of citizen-focused service standards.
- Continuously invest in employee development; train, and re-train workers to work in teams focused on citizen-oriented service delivery and better ways to implement the FOCUS initiatives that are the City's responsibility.
- Incorporate regular and systematic assessments of the best practices and innovations in citizen/community oriented governance and incorporate and/or adapt those practices for Kansas City.
- Institute a regular cycle of external reviews of the efficiency and effectiveness of City programs, services and management.

Aspiration: All elected officials, appointed board and commission members, and professional staff should adhere to coordinated, objective, and linked decision making processes between their respective jurisdictions.

Initiative: Ethics - Implement comprehensive ethics training for all City personnel, elected, and appointed officials; require regular refresher courses; incorporate ethical standards for supervisors and employees as an explicit aspect of employee performance evaluations.

Initiative: Role of the City Plan Commission - The City Plan Commission (CPC) should take the lead role in evaluating all plans and development projects as a first step in the plan and development approval process. Major actions include:

- The CPC should coordinate (through joint meetings and review) an effective process for specific review by appropriate agencies and boards to determine financial tools, development incentives, landmark status, etc.
- The CPC will encourage the early use of the Community Impact Statement in the public hearing and approval process.
- The CPC will take the primary responsibility to determine if proposed plans support FOCUS priorities and objectives.

Initiative: Boards and Commissions - Kansas City's tradition of diverse, independent and decentralized decision-making has led to the creation of numerous permanent and ad hoc boards, commissions, authorities, and committees that have varying degrees of influence. Some of these bodies are simply advisory in nature, while others have significant administrative roles. Some of the key Boards and Commissions with the greatest autonomy (Housing Authority, Tax Increment Financing Commission, Board of Parks and Recreation, Area Transit Authority, Police Board) have spheres of influence directly related to the achievement of FOCUS priorities. Major actions include:

- Work with all boards, commissions and committees to align their decision-making with the achievement of FOCUS priorities.
- Continue an ongoing discussion and review about aligning responsibility and accountability to best implement FOCUS priorities.

Kansas City, Missouri's Role In The Metropolitan Region

Aspiration: Kansas City should continue to provide leadership and actively promote cooperation between governments for implementation of FOCUS service priorities that require metro-wide or intergovernmental action.

Initiative: Continue inter-governmental coordination around the service priority of the protection of life and property. Major actions should include:

- Continue the 911 system and explore additional emergency response coordination.
- Continue to explore consolidation of detention and criminal justice services and facilities.

Initiative: Continue intergovernmental cooperation around the service priority of stewardship of capital assets. Major actions include:

- **Transportation:** Pursue cooperative efforts under the leadership of MARC, who is the federally designated metropolitan planning organization for the region's transportation planning.
- **Street Maintenance and Infrastructure:** Continue discussions between the City of Kansas City, Jackson, Clay and Platte Counties, regarding an interlocal agreement for street maintenance in selected areas around the metropolitan area.

Initiative: Continue intergovernmental cooperation around the service priority of the environment. Major actions include:

- Continue organized dialogue on environmental issues under the direction of MARC.
- Continue to enter into interlocal agreements with other counties and cities.
- Continue working on metropolitan-wide cooperation relating to utility service.

Initiative: Continue intergovernmental cooperation around the service priority of securing economic opportunity.

The model by which all regional cooperation will now be compared is the passage in 1996 of the bi-state cultural district. This achievement is the result of long and aggressive efforts by city leaders and ordinary citizens

alike who saw the need to cross geographic boundaries and build a project together. Major actions include:

- Area Economic Development Agencies. Continue cooperative efforts with other jurisdictions, Kansas City Area Development Council (KCADC), and area businesses. Kansas City and Jackson County are currently studying an interlocal services agreement for economic development. The Clay and Platte County EDC's and Northland Chamber of Commerce have engaged in joint efforts.

Initiative: Continue intergovernmental cooperation and other public/private partnerships around the service priority of neighborhood livability. Major actions should include:

- Children's Issues. Continue to participate in community-wide efforts that support mentoring programs, enhanced health care, family counseling, child care, and educational and job activities.
- Enhanced Enterprise Community. Continue to support and seek federal funding under the empowerment zone programs.



Aspiration: Initiate on-going cooperative efforts on “region-shaping” opportunities for the metro-wide area.

Initiative: Expand regional discussions to include three basic components in transportation:

- Maintenance and repair of existing roads and infrastructure.
- Working toward an integrated intermodal system.
- “Regluing” the region’s transit system.
- Regional transportation: MARC should review how all modes of transportation, including public transit, serve the regional transportation needs of the community.
- Public transit cooperation: A task force should be formed to review how public transportation can be coordinated beyond the city limits. As a first step, there should be an effort to develop a “seamless” system in which the 3 area public transit providers (KCATA, Johnson County Transit (JCT) and Kansas City, Kansas (The BUS)), coordinate their fares, schedules, and service.

Initiative: Convene regional forum for dialogue on all regional amenities that should be considered for bi-state cooperation on a phased in, long-term basis.

Initiative: Continue cooperative actions of cities and related chambers of commerce with workforce availability and education. Major actions include:



- **Funding:** Seek out specific grant funding and economic incentives to support communities in work force readiness.
- **Transportation:** Continue work on transportation issues related to providing employers with the available work force.

Initiative: Convene tightly structured, goal driven economic development policy forums which deal with the priorities of attracting and expanding key industries, and which address strategies to eliminate obstacles to continued economic growth.

The community has demonstrated it can cooperate to address a crisis or seek an immediate financial opportunity. It needs to come together around a longer term economic development strategies. KCADC, which has been involved in existing cooperative efforts, can take the lead. FOCUS core issues of stewardship of capital assets and the economic base of the community are impacted by this discussion.

Initiative: Begin discussions about consistent policy and application of development incentives between jurisdictions in the region. Major actions include:

- **Strategic goals:** Develop strategic goal-setting for the Kansas City Alliance for Economic Cooperation that involves input from all affected jurisdictions.
- **Begin discussions of debt structure and ratings on all affected jurisdictions and the impact of capital improvements.**
- **Assessment of existing economic development incentives of metropolitan communities to determine overlap and negative competition impact.**

Initiative: Promote discussions on metropolitan housing patterns between jurisdictions and the private sector. Major actions include:

- Develop best use/mixed use strategic plans that would upgrade and include existing housing developments and planned housing developments, and use to demonstrate the benefits.
- Develop incentives for public/private ventures to coordinate housing growth, direction and mix.

Initiative: Develop a mechanism to coordinate discussion about metropolitan area land use and growth. Major actions include:

- Continued use of the Empowerment Zones in the metropolitan area for direction on commercial land use.
- MARC should study and report on how controlled land use growth has been handled by other regions (i.e. Portland, Oregon).

Citizenship And Community Building

From the beginning, FOCUS has recognized that citizens working in partnership with the City Government is the hallmark of an effective, forward moving community. For this to occur, Kansas City requires a government that actively supports this principle and engages the community in a Governance process.

On an ongoing basis, the City needs to listen and communicate with citizens, provide easy access and channels for citizens to get involved with City programs and activities, help citizens understand governmental processes, and most importantly, to fully and effectively integrate all citizens into the City's decision-making processes.

Aspiration: Kansas City should establish innovative ways to listen, communicate with, and provide information to its citizens.

Communication and access to the information being communicated are the elements most critical for creating a well-educated, active, and informed citizenry that will create the connections between people and their government that the New American City demands. Information and communication can also help foster citizenship and provide information that will engage residents in what is happening at both City Hall and in the larger community. Because of its central role in fostering citizenship, the City will take the lead role in a partnership with private interests to establish a system of communication for and among people of Kansas City.



Citizens must be educated on an on-going basis regarding the state-of-the city, and the issues and needs of the community-not just at election time. Major actions include:



- Utilize FOCUS Centers and provide access to the information system through libraries, places of worship, schools, and other community locations.
- Use technology tools in the dissemination of information to help gain citizen input plus allow for interaction between citizens and elected officials. Specific examples include:
 - The City should use channel 19 and Channel 25 to present educational information about ballot issues, and a quarterly report on City issues. Tapes should be available in libraries, neighborhood centers and schools where the information can be viewed at other times and locations.
 - Star-Touch Technology should be used to obtain citizen input so that elected officials, appointed officials and City staff understand how citizens feel about issues.
 - Neighborhood media should be used to disseminate information about local issues. Encourage the Star and other newspapers to create a government activities section.
 - A newsletter should be distributed within areas of the City to continually inform residents on the key issues affecting those communities, and to update citizens on the accomplishment of relevant FOCUS initiatives.
 - An annual newsletter on FOCUS implementation progress should be distributed to the thousands of citizens who actively participated in the FOCUS planning process.

Aspiration: The City should develop new ways to form linkages to create a sense of community that includes people, neighborhoods, businesses and community groups.

Major actions include:

- Provide open forums where the opinions of residents can be heard, outside the regular channels of Council/Board meetings, study sessions, and legally required public hearings.
- Building on the FOCUS Community Anchors and FOCUS Centers strategies, the City should develop new ways for schools, places of religious worship, community centers, police stations and other public buildings to cooperate with, and get involved with, their surrounding neighborhoods

Aspiration: Kansas City should take the lead in removing barriers, including physical, attitudinal and economic barriers that prevent ongoing citizen involvement in the governance of their community.

Major actions include:

- Improve confidence in City Hall - that the City can be trusted and that it operates in a ethical manner. The City should publicize all Codes of Ethics for appointed, elected officials and City management and inform citizens of updates to those Codes and the implementation of the Red Flag Commission's recommendations.
- Inform citizens of specific steps the City has undertaken to make - citizen satisfaction+ and -citizens first+ a reality. Update citizens on the improvements derived from these initiatives.
- Provide citizens with a means of measuring accountability.
- The city should empower citizens by developing opportunities for persons representing a wide range of racial and economic backgrounds to participate in their government and local community.

Aspiration: Individual citizens should increase personal responsibility and commitment for all aspects of community life and make a positive informed involvement in governmental processes.

Major actions include:

- Adopt a Citizens' Creed for the residents of Kansas City to understand and agree to as individuals or as a member of a church, neighborhood, community or civic organization.
- Qualified persons should be encouraged to seek volunteer, appointed, and elected positions and provide easy access to information on these positions to those who have interest.

- Reduce barriers to voter registration, explore mail-in ballots, and otherwise promote voting as a very important component of citizenship.

Aspiration: The City should target citizen involvement among 12 to 14 year old youths while including all youth ages 12 to 17 in citizenship building activities to provide positive youth activities

Major actions include:

- Involve youth in activities such as voter participation. Establish a goal that by the time they graduate from high school, each youth will be registered to vote.
- Ask young people to encourage their parents, teachers and other adults to vote in local elections. Help them understand that local elections have a direct impact on their daily lives.
- Initiate special student intern programs.

A P L A N F O R G O V E R N A N C E

Governance Responsibility Matrix

The matrix chart, which follows, presents a model of how responsibility for the governance initiatives may rest with various elements in the community. Distribution of responsibility is indicated among the private sector, public sector and public/private partnerships. In many cases, responsibility for carrying out initiatives can and should reside in more than one of these areas.

The responsibility matrix also identifies whether each initiative is a policy, project or will require legislative action. It also projects the time frame for implementation of each initiative. Most governance initiatives are ongoing in nature so these targets suggest that individual initiatives be started by the year 2000 or 2005.

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|---|--------------------------------------|--------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Jurisdictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 1: Revenues | | | | | | | | |
| A. Design, maintain and administer a revenue system that will assure a reliable, equitable, and diversified revenue streams to support desired City services. | | ■ | | ■ | ■ | | ■ | |
| Initiative 2: Operating Expenditures | | | | | | | | |
| A. Identify priority services, establish equitable and appropriate services and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 3: Capital Expenditures | | | | | | | | |
| A. Utilize capital expenditures to invest in infrastructure and equipment. These strategic capital investments should be based upon a City Council-approved five-year Capital Improvements Plan adopted on an annual basis. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 4: Fund Balance | | | | | | | | |
| A. Maintain a fund balance sufficient to protect the city's creditworthiness as well as its financial position from unanticipated emergencies. | | ■ | | ■ | | | ■ | |
| Initiative 5: Debt | | | | | | | | |
| A. Establish guidelines for debt financing which will minimize the impact of debt payments on current revenues and allow the City to maintain no less than an AA or equivalent credit rating. | | ■ | | ■ | | | ■ | |
| Initiative 6: Cash Management | | | | | | | | |
| A. Establish guidelines for efficient cash management. | | ■ | | ■ | | | ■ | |
| Initiative 7: Grants | | | | | | | | |
| A. Seek, apply for and administer federal, state and foundation grants that address the City's current priorities and policy objectives. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 8: Intergovernmental Relations | | | | | | | | |
| A. Coordinate efforts with other governmental entities to solve problems on a regional basis. | | ■ | ■ | ■ | ■ | | | ■ |
| Initiative 9: FOCUS Financial Analysis | | | | | | | | |
| A. Perform a financial analysis of the economic impact on revenue, expenditures, and cash flow in order to determine an on-going strategy for funding FOCUS priorities that are the City's responsibility. | | ■ | | ■ | ■ | | ■ | |
| Initiative 10: Voter Approval of Sales Tax | | | | | | | | |
| A. Support the Community Infrastructure Committee recommendation to use two one-half cent sales taxes for capital improvements. | ■ | ■ | ■ | ■ | | | ■ | |
| B. Seek approval for an additional half-cent sales tax that is not currently utilized to increase the pool of money available. | ■ | ■ | ■ | | ■ | | ■ | |

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|---|--------------------------------------|------------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Juris-dictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| C. Consider the needs of public education in support of the "people infrastructure" in the city. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 11: Legislation | | | | | | | | |
| A. Evaluate current state legislation and craft amendments and/or new legislation to improve the City's ability to fund its operating and capital improvement needs. | | ■ | | ■ | ■ | ■ | ■ | |
| Initiative 12: Community Benefits | | | | | | | | |
| A. Every development incentive should be an investment in the community's future. The city's intention is to provide seed money to encourage investment, rather than unlimited, continuous funding. | ■ | ■ | ■ | | | | | |
| Initiative 13: Review Process | | | | | | | | |
| A. The City should follow a consistent and predictable review process. | | ■ | | ■ | | | ■ | |
| B. The City shall establish a unified review process for each type of incentive available that will communicate requirements before the process begins. | | ■ | | | ■ | | ■ | |
| C. The City shall monitor performance to determine if the conditions of the incentive are being fulfilled. | | ■ | | | ■ | | | ■ |
| Initiative 14: Development Incentive Evaluation | | | | | | | | |
| A. Evaluate existing development projects and districts and available incentives and possibly create new incentive tools or adapt existing tools to meet contemporary development challenges. | ■ | ■ | ■ | | ■ | | | ■ |
| Initiative 15: Incentives | | | | | | | | |
| A. The City shall encourage the use of incentives (other than tax incentives) | | ■ | | ■ | | | ■ | |
| Initiative 16: Community Impact Statement | | | | | | | | |
| A. A Community Impact Statement shall be developed and used by the City to evaluate the fiscal and economic impacts, and consistency with FOCUS, of proposed major expenditures and investments. | | ■ | | ■ | ■ | | ■ | |
| Initiative 17: FOCUS Priority Services | | | | | | | | |
| A. The City should continue to develop, refine and use an objective tool for assessing the relative importance or priority of City services in light of the initiative suggested by the FOCUS plan. | | ■ | | ■ | ■ | | ■ | |
| B. FOCUS Priority Services should be budgeted at levels that meet the level of service required to meet the human and capital needs as expressed by the community. | ■ | ■ | | ■ | | | ■ | |
| C. Operating and capital project managers should justify funding requests with evidence of positive impact on achievement of FOCUS priorities. | | ■ | | ■ | ■ | | ■ | |

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|---|--------------------------------------|--------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Jurisdictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| D. Those services that are necessary to sustain the administration of city government (tax collection, auditing, human resources, etc.) should re-evaluate their missions to support FOCUS initiatives and service priorities. | | ■ | | ■ | ■ | | ■ | |
| Initiative 18: Management Structure | | | | | | | | |
| A. Organize the management structure of City government based on "service lines" derived from the FOCUS service priorities, along with the necessary supporting processes. | | ■ | | ■ | ■ | | ■ | |
| B. Introduce competitive rigor in government operations. | | ■ | | ■ | ■ | | ■ | |
| C. Identify, assess, and aggressively reengineer all core business and management processes of city government, with a particular emphasis on the regulatory, licensing and internal management support systems. | | ■ | | ■ | ■ | | ■ | |
| D. Integrate city-wide information systems to improve, simplify and speed reengineered processes. | | ■ | | | ■ | | | ■ |
| E. Establish specific FOCUS priority service standards and measures for every discreet city program; record, track, monitor and manage achievement of standards; and directly link budget allocations to measured service levels. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 19: Service Areas | | | | | | | | |
| A. The City should establish a "Service Area framework" to deliver outcomes-based city services and programs. | | ■ | | | ■ | | ■ | |
| B. Establish multi-disciplinary and cross-departmental priority service delivery teams. | | ■ | | ■ | | | ■ | |
| C. Development of individualized methods and techniques for including the public in the governance process, including citizen advisory councils, surveys, community forums and planning workshops. | ■ | ■ | ■ | | ■ | | ■ | |
| D. Target delivery of internal city management support systems and support to the service teams. | | ■ | | ■ | ■ | | ■ | |
| E. Establish clear measures of employee and work unit performance in the achievement of citizen-focused service standards. | | ■ | | ■ | | | ■ | |
| F. Continuously invest in employee development; train and retrain workers to work in teams focused on citizen-oriented service delivery and better ways to implement the FOCUS initiatives that are the City's responsibility. | | ■ | | ■ | | | ■ | |
| G. The City should incorporate regular and systematic assessments of the best practices and innovations in citizen/community oriented governance and incorporate and/or adapt those practices for Kansas City. | | ■ | | | ■ | | ■ | |
| H. Update and evaluate the FOCUS plan every four years and revise service priorities accordingly. | ■ | ■ | ■ | | ■ | | | ■ |

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|---|--------------------------------------|--------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Jurisdictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| I. Undertake regular market research analyses to ascertain the actual needs and expectations of the public in conjunction with the FOCUS plan and the Citizens Action and Awareness Building Block. | | | | | ■ | | ■ | |
| J. Develop and commit to an aggressive and comprehensive program of citizen communication, marketing and public relations. | | ■ | | | ■ | | ■ | |
| K. Institute a regular cycle of external reviews of the efficiency and effectiveness of city programs, services and management. | ■ | | | | ■ | | | ■ |
| Initiative 20: Ethics Training | | | | | | | | |
| A. Implement comprehensive ethics training for all City personnel, elected, and appointed officials. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 21: Role of the City Plan Commission | | | | | | | | |
| A. The City Plan Commission (CPC) should take the lead role in evaluating all plans and development projects as a first step in the plan and development approval process. | | ■ | | ■ | | | ■ | |
| Initiative 22: Boards and Commissions | | | | | | | | |
| A. Work with all boards, commissions, and committees to align their decision making with the achievement of FOCUS priorities. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| B. Continue an ongoing discussion and review about aligning responsibility and accountability to best implement FOCUS priorities. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 23: Protection of Life and Property | | | | | | | | |
| A. Continue inter-governmental coordination around the service priority of the protection of life and property. | | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 24: Stewardship of Capital Assets | | | | | | | | |
| A. Continue intergovernmental cooperation around the service priority of stewardship of capital assets. | | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 25: Environment | | | | | | | | |
| A. Continue intergovernmental cooperation around the service priority of the environment. | | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 26: Securing Economic Opportunity | | | | | | | | |
| A. Continue inter-governmental cooperation around the service priority of securing economic opportunity. | | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 27: Neighborhood Livability | | | | | | | | |
| A. Continue inter-governmental cooperation and other public/private partnerships around the service priority of neighborhood livability. | | ■ | ■ | ■ | ■ | | ■ | |
| Initiative 28: Transportation | | | | | | | | |
| A. Expand regional discussions to include three basic components in transportation: a) maintenance and repair; b) integrated inter-modal system; c) "re-gluing" the region's transit system. | | ■ | ■ | ■ | ■ | | ■ | |

| INITIATIVE/ACTION | Private | Public | | Partnerships | | | | Initiate by | |
|--|--------------------------------------|--------|---------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City | Other Jurisdictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| B. MARC should review how all modes of transportation, including public transit, serve the regional transportation needs of the community. | | | ■ | | | ■ | | ■ | |
| C. Form a task force to review how public transportation can be coordinated beyond the city limits. | | ■ | ■ | | | ■ | | ■ | |
| Initiative 29: Regional Amenities | | | | | | | | | |
| A. Convene regional forum for dialogue on all regional amenities that should be considered for bi-state cooperation on a phased in, long-term basis. | | ■ | ■ | | | ■ | | | ■ |
| Initiative 30: Workforce Availability and Education | | | | | | | | | |
| A. Continue cooperative actions of cities and related chambers of commerce with workforce availability and education. | ■ | ■ | ■ | ■ | ■ | | | ■ | |
| Initiative 31: Economic Development Policy Forums | | | | | | | | | |
| A. Convene tightly structured, goal driven economic development policy forums which deal with the priorities of attracting and expanding key industries, and which address strategies to eliminate obstacles to continued economic growth. | ■ | ■ | ■ | ■ | | ■ | | ■ | |
| Initiative 32: Consistent Application of Development Incentives | | | | | | | | | |
| A. Begin discussions about consistent policy and application of development incentives between jurisdictions in the region. | | ■ | ■ | | | ■ | | ■ | |
| B. Develop strategic goal-setting for the Kansas City Alliance for Economic Cooperation that involves input from all affected jurisdictions. | | ■ | ■ | | | ■ | | ■ | |
| Initiative 33: Housing Patterns | | | | | | | | | |
| A. Promote discussions on metropolitan housing patterns between jurisdictions and the private sector. | ■ | ■ | ■ | ■ | ■ | | | ■ | |
| B. Develop best use/mixed use strategic plans that would upgrade and include existing housing developments and planned housing developments, and use to demonstrate the benefits. | | ■ | ■ | | | ■ | | ■ | |
| C. Develop incentives for public/private ventures to coordinate housing growth, direction and mix. | ■ | ■ | ■ | ■ | | ■ | | | ■ |
| Initiative 34: Metropolitan Area Land Use | | | | | | | | | |
| A. Develop a mechanism to coordinate discussion about metropolitan area land use and growth. | | ■ | ■ | | | ■ | | | ■ |
| B. Continued use of the Empowerment Zones in the metropolitan area for direction on commercial land use. | | ■ | ■ | | ■ | | | ■ | |

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|--|--------------------------------------|---------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Juris-dictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| C. MARC should study and report on how controlled land use growth has been handled by other regions. | | ■ | | | ■ | | ■ | |
| Initiative 35: Citizen Communication | | | | | | | | |
| A. Utilize FOCUS Centers and provide access to the information system through libraries, places of worship, schools, and other community locations. | ■ | ■ | ■ | ■ | | | ■ | |
| B. Use technology tools (television, technology, media) in the dissemination of information to help gain citizen input plus allow for interaction between citizens and elected officials. | | ■ | | ■ | | | ■ | |
| C. A newsletter should be distributed within each Service area to continually inform residents on the key issues affecting their community and to update citizens on the accomplishment of relevant FOCUS initiatives. | | ■ | | | ■ | | ■ | |
| D. An annual newsletter on FOCUS implementation progress should be distributed to the thousands who actively participated in the FOCUS planning process. | ■ | ■ | ■ | | ■ | | ■ | |
| E. Use existing resources to dispense information | | | ■ | ■ | | | ■ | |
| Initiative 36: Community Linkages | | | | | | | | |
| A. Provide open forums where the opinions of residents can be heard, outside the regular channels of Council/Board meetings, study sessions, and legally required public hearings. | | ■ | | ■ | | | ■ | |
| B. The City should develop new ways for schools, places of religious worship, community centers, police stations and other public buildings to cooperate with, and get involved with, their surrounding neighborhoods. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| C. Building on the FOCUS Neighborhoods Plan strategies, work with neighborhoods to find ways to improve their self-reliance, authority and strength. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| D. As neighborhoods develop a clear sense of identity, promote the sharing of neighborhood history with neighborhood residents. | ■ | ■ | ■ | ■ | | | | ■ |
| Initiative 37: Citizen Involvement in Governance | | | | | | | | |
| A. Improve public confidence in City Hall by publicizing all Codes of Ethics for appointed, elected officials and City management, and continuing to inform the citizens of updates to those Codes. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| B. Inform citizens of specific steps the City has undertaken to make "customer satisfaction" and "citizens first" a reality. | | ■ | | | ■ | | ■ | |
| C. Develop community supported common goals that are supported by a decision making process that is inclusive. Provide citizens with a means of measuring accountability. | ■ | ■ | ■ | | ■ | | ■ | |

| INITIATIVE/ACTION | Private | Public | Partnerships | | | | Initiate by | |
|---|--------------------------------------|--------------------------|------------------|--------|---------|-------------|-------------|------|
| | Citizens, Non-Profits and Businesses | City Other Jurisdictions | Public / Private | Policy | Project | Legislative | 2000 | 2005 |
| D. Demonstrate to citizens the new opportunities for participation, shared leadership, and influence that are proposed by FOCUS. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| E. Empower citizens by developing opportunities for persons representing a wide range of racial and economic backgrounds to participate in their government and local community. | ■ | ■ | ■ | ■ | | | ■ | |
| Initiative 38: Personal Responsibility for Informed Involvement | | | | | | | | |
| A. Adopt a Citizens' Creed for the residents of Kansas City to understand and agree to as individuals or as a member of a church, neighborhood, community or civic organization. | ■ | ■ | ■ | | ■ | | ■ | |
| B. Encourage qualified persons to seek volunteer, appointed, and elected positions and provide easy access to information on these positions to those who have interest. | ■ | ■ | | ■ | | | ■ | |
| C. Reduce barriers to voter registration, explore mail-in ballots, and otherwise promote voting as a very important component of citizenship. | | ■ | ■ | ■ | ■ | ■ | ■ | |
| Initiative 39: Citizenship Building Activities with Youth | | | | | | | | |
| A. Initiate a "Local Citizenship, Governance and Community" educational curriculum in the schools whereby students learn and understand the Citizens' Creed and the importance of informed involvement in City affairs. | ■ | ■ | ■ | ■ | ■ | | ■ | |
| B. Involve youth in activities such as voter participation. Establish a goal that by the time they graduate from high school, each youth will be registered to vote. | ■ | ■ | ■ | ■ | | | ■ | |
| C. Ask young people to encourage their parents, teachers and other adults to vote in local elections. Help them understand that local elections have a direct impact on their daily lives. | ■ | ■ | ■ | ■ | ■ | | ■ | |



A P L A N F O R G O V E R N A N C E

Building On Our Strengths

The year was 1926, 76 years after the incorporation of the Town of Kansas and slightly over a year after the adoption of a new charter. The budget totaled \$9.0 million. A note to the 1926 budget indicates that attempts were made “to realign the expenditures . . . to conform to the alignment of the new organization.” The drafters of the 1926 budget proposal recognized that funding of city services would be affected by the changes made as a result of the new charter. The explanatory note goes on to say that the recommended “amounts (estimates), as shown, cannot, therefore, represent accurately the cost of services which will be performed by the new units of government.”

The city remains dynamic. Decisions are still being made as to the best means of providing city services. Seventy-one years later the city’s budget totals \$750.0 million and the City has grown in population and size. This has resulted in an increase in service demands as well as types of services rendered. Charting a new course for the City requires the participation of the entire community as today’s decisions have financial implications for the next 25 years.

Kansas City has tremendous strengths which have enabled our community to grow and prosper. One of the primary reasons for undertaking FOCUS Kansas City was a recognition that in these times of great needs and dwindling resources, it is more important than ever that the community work together, through partnerships and in an interconnected manner to assure that these strengths are best utilized in addressing the

identified problems impacting our futures. The Governance Plan has been crafted to Build On Our Strengths, which are identified as follows.

City Government Strengths

Financial Strength

Kansas City benefits from a diverse economic base in which the highs and lows of change in the economy, or in the strength of certain industries, have not dramatically affected the city's financial health.

Like the economy itself, the City of Kansas City established a diverse tax structure, which is the foundation upon which the City's fiscal health is built. That diverse tax structure, and the state law, requiring a balanced budget, have added to the City's financial strength throughout the years.

Unlike most cities, Kansas City benefits from a diverse revenue base and is not overly reliant on property taxes. Taxes for individuals and businesses comprise 50 percent of the total revenues used to cover the costs of existing services. The City has managed its debt position by maintaining high general obligation bond ratings. Currently Kansas City, Missouri has a Aa3/AA rating.

Regarding expenditures, operating expenses account for 74 percent of the current City budget, with the balance dedicated to capital improvements and debt service. Most of the current budget is already allocated for essential services and priorities identified by FOCUS.

Management Strength

Kansas City adopted a new charter over 70 years ago in 1926. Kansas City has developed a reputation for a professional City Manager form of government, characterized by L. P. Cookingham, over the past 50 years. The citizens of Kansas City elect on a non-partisan basis every four years, a Mayor and a City Council (12 members) with two 4-year term-limits imposed by a charter amendment. The Council is elected from six districts (six in district and six at-large). The Council in recent years has closely reflected the diversity of the city population.



The City Manager reports to the Mayor and Council, and City staff report to the City Manager. There is a strong merit system providing normal job stability of professional mid-level and upper management. Public employees are represented by AFSME Local #500 and Local #42, representing firefighters.

The City of Kansas City has numerous Boards and Commissions in which private citizens share in the governing of the city. The City has shown a willingness to delegate authority and responsibility to citizens, whose decisions impact on major funding allocations (for example, The City Plan Commission, The Landmarks Commission, The Port Authority, Tax Increment Financing Commission, and the Public Improvement Advisory Committee).

Governance Strengths

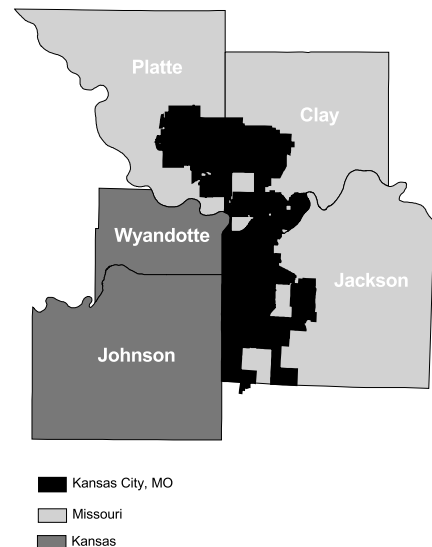
Intergovernmental Cooperation

Kansas City has unique geographic boundaries which require increasing cooperation with other units of government. Kansas City, Missouri, is located in four counties, and the metropolitan area is divided by two states and eleven counties. There are, however, many institutional mechanisms and much capacity in the metropolitan area that exist to effect regional cooperation.

Regional cooperation has been essential because problems and solutions transcend and spread beyond jurisdictional boundaries. Additional cooperation and success in achieving metropolitan objectives can help break down those boundaries, reduce duplication of services, and share resources.

Success in the metropolitan area will be determined, however, by Kansas City's willingness to lead by example and by demonstrating their willingness to participate in shared leadership.

Although it has often been difficult to initiate and often delayed while securing federal or state authorization or approval of intergovernmental compacts; where regional and intergovernmental cooperation has been attempted, it has been resoundingly successful. Examples include the recently Bi-State Cultural Tax, 911 Emergency System and the Mid-America Regional Council's work in planning, transportation and air quality.



Strength of Community

Since September, 1992, thousands of citizens have been involved in the FOCUS planning effort.

The FOCUS process capitalizes on citizen knowledge and input to frame public debate about important issues facing our city and involves the entire community in helping with innovative solutions. As such, FOCUS provides a mechanism for integrated decision-making, not only at City Hall, but throughout the entire city.



Citizen participatory planning processes have helped bring people back to a sense of community, with individual effort and responsibility recognized as being as important as that of municipal government. By continuing to work together from a position of mutual trust and respect, governmental leaders and citizens can effectively address community interests that are outlined in FOCUS.

Resources and investments are leveraged toward critical priorities that will create other opportunities, and each part of the community plays a role in the strategy that best meets its abilities and resources.

The success of FOCUS' planning process is rooted in Kansas City's history of strong citizen involvement in previous and current efforts. Active citizen involvement as well as a strong civic infrastructure is a hallmark of Kansas City and benefits not-for-profit organizations and neighborhoods, as well as, City government.

Strength of Partnership

It is often difficult to achieve common goals, priorities and strategies with the many overlapping jurisdictions and governmental bodies in the Bi-State area. The Kansas City area has had a history of overcoming these multi-jurisdictional obstacles by forming ad-hoc partnerships between government, private and not-for-profit sectors. These unique partnerships and joint ventures on specific issues have allowed the community to share common strategies toward achievement of community-wide goals.



A P L A N F O R G O V E R N A N C E

Aspirations

The Governance Plan provides the framework to insure that the initiatives identified in the six component plans can be implemented over the 25 year time horizon. Careful attention was paid to crafting a Governance Plan which best utilized dwindling resources in a manner that leveraged resources and maximized community involvement in decision making processes. Plan recommendations are organized into four primary areas, those being:

- City Government Financial Strategy
- City Government Management Framework
- Kansas City, Missouri's role in the Metropolitan Region
- Citizenship and Community Building

This section outlines 15 Aspirations (or goals). The action initiatives for each aspiration are outlined in the next section.

City Finance Aspirations

The FOCUS process and resulting component plans provide Kansas City citizens and leaders with a new way of understanding and guiding the community's physical, cultural, social, and economic development. Implementing the hundreds of Building Block initiatives and recommended actions will require that Kansas City engage resources from many private and public sources, often combining and leveraging re-

sources from a variety of entities to achieve the desired outcome. Often this will require that the City's financial resources be used to implement FOCUS objectives.

Aspiration: Kansas City should establish and follow a set of financial management and strategies formulated to ensure that financial resources are available to meet present and future needs

These initiatives and actions will establish practices representing good financial stewardship and provide a financial decision-making process that reflects FOCUS objectives.

Aspiration: Kansas City aspires to gain greater control and/or the authority to determine its own tax structure.

The recommended actions outlined under this aspiration are intended to initiate a legislative review process to overcome difficulties the City faces in getting citizen approvals for tax and fee changes.

Aspiration: The City will use development incentives to encourage private development that achieves FOCUS priorities and is proactive whenever possible.

Development incentives are intended to encourage appropriate development of the City, requiring that the City forego potential revenues or redirect the use of a certain amount of existing or future resources in order to aid in the development process. Incentives should become investments that eventually benefit the community in manner which exceeds the value of that investment. Key to this return on investment is the expectation that incented projects advance FOCUS objectives. Projects that do not meet FOCUS objectives are likely to be rejected. By establishing FOCUS objectives as the standard against which incented private development projects are measured, The City will assume a proactive rather than reactive role.

Aspiration: Kansas City should establish and adhere to guidelines for making decisions on major financial investments.

City Council members, citizens and other stakeholders need information and analysis in a reliable, consistent, and understandable format in order to make informed decisions prior to undertaking major operating or capital expenditures or granting development incentives. A Community Impact Statement procedure has been formulated to evaluate proposed

major City investments. It has been designed to ensure that consistency with FOCUS objectives and strategies are fundamental to the procedure.

City Management Aspirations

A series of City management aspirations have been identified as the outcomes desired for Kansas City government. Achievement of these aspirations requires undertaking a number of specific organizational initiatives.

Many of the aspirations discussed herein are explicitly shared by current city leadership, and many of the initiatives suggested are presently underway. The aspirations suggest a strategic direction to position the municipal organization for implementation of the FOCUS plan.

Aspiration: Kansas City government provides a guaranteed bundle of essential city services to its residents.

The foundation for effective governance is meeting basic or essential needs within all areas of the city. A resident of the City of Kansas City, in any neighborhood, should have the assurance that his/her property and life are as secure as the city can make them, that municipal transportation and utility infrastructures are in place and maintained, the natural environment is safeguarded, and that life, health and safety ordinances and regulations are consistently and equitably enforced.



Aspiration: Kansas City government has clearly established management accountability goals for implementation of FOCUS service priorities.

Kansas City government is organized under a Council/Manager form of government in which policy making authority is vested in the elected, representative City Council and daily administrative accountability is assigned to a professional City Manager. Kansas City has a long and deeply rooted tradition of professional city management and it is our belief that the Council/Manager form has served the city well and is the legal structure most likely to facilitate FOCUS implementation.

The priorities that have emerged from the community-based FOCUS process strongly suggest that City government needs a structure designed to accommodate the following:

- Responsive and accountable delivery of FOCUS priority public services at the neighborhood level
- Rational, linked and ends-focused decision making
- Leadership on region shaping issues
- Partnership with citizens, neighborhoods, businesses and institutions
- Improvement of internal city management processes

Aspiration: Kansas City government is a national model of citizen-centered service delivery.

A theme that emerged from the FOCUS process is the importance of making city services responsive to the particular and unique needs of neighborhoods, families and people. There is a recognition that “one size fits all” government is ineffective. The strong FOCUS support for community oriented policing suggests that a similar model and philosophy of city service delivery and management can make city government more responsive and citizens more supportive of that government.

Aspiration: All elected officials, appointed board and commission members, and professional staff should adhere to coordinated, objective, and linked decision making processes between their respective jurisdictions.

A representative democracy requires that decisions and choices among multiple options be made at a political level. As such, compromise and negotiation will always be (and should always be) a part of the governance process. At the same time, it should be possible to structure the political process in such a way as to ensure rational and objective information is not only available, but strongly influences the debate.

Regional Leadership Aspirations

Kansas City exists at the center of one of the nations largest urban centers. The governance decisions made in Kansas City have profound impacts on the region, as the governance decisions in the region profoundly impact the center city. Regional economic prosperity is a prerequisite for the comprehensive governance of the region and for important region im-

pacting initiatives to successfully move forward. Inter-governmental cooperation, regional service delivery, cost and revenue sharing are essential to our long term success as a community.

Aspiration: Kansas City should continue to provide leadership and actively promote cooperation between governments for implementation of FOCUS service priorities that require metro-wide or intergovernmental action.

Aspiration: Initiate on-going cooperative efforts on “region-shaping” opportunities for the metro-wide area.

Citizenship Aspirations

From the beginning, FOCUS has recognized that citizens working in partnership with City government is the hallmark of an effective, forward moving community. Kansas City requires a government that actively supports this principle and engages in a Governance process.

On an on-going basis, the City needs to listen and communicate with citizens, provide easy access and channels for citizens to get involved with City programs and activities, help citizens understand governmental processes, and most importantly, to fully understand and effectively integrate all levels and diversities of citizens into the City’s decision making processes.

Aspiration: Kansas City should establish innovative ways to listen, communicate with, and provide information to its citizens.

Aspiration: The City should develop new ways to form linkages to create a sense of community that includes people, neighborhoods, businesses and community groups.

Aspiration: Kansas City should take the lead in removing barriers, including physical, attitudinal and economic barriers that prevent ongoing citizen involvement in the governance of their community.

Aspiration: Individual citizens should increase personal responsibility and commitment for all aspects of community life and make a positive informed involvement in governmental processes.

Aspiration: The City should target citizen involvement among 12 to 14 year old youths while including all youth ages 12 to 17 in citizenship building activities to provide positive youth activities.



A PLAN FOR GOVERNANCE

Applications

“We believe the best strategy to community empowerment is a community-driven comprehensive approach which coordinates economic, physical, environmental, community, and human needs. Through new partnerships among federal and local governments, the private sector, community organizations, and residents, we can build vibrant, secure communities that offer hope to their citizens.” Henry G. Cisneros, Former Secretary, Department of Housing and Urban Development

Leaders are not solely defined as the elected officials, but must also include a new generation of leadership from the community. As FOCUS redefines the role and appearance of government, opportunities to be a part of that change will abound.

Application of the Governance Plan will involve all aspects of the public, while at the same time it places a heavy emphasis on those government officials charged with many of the duties intrinsic to the success of the initial implementation of the plan. This section defines more specifically those details needed to begin the realization of the governance goals and aspirations.

City Financial Strategy

Underlying the following initiatives described in the Financial Plan is the concept that the expenditures of City resources have to be viewed as investments. These investments may take many forms - spending general



revenues to maintain sidewalks, providing incentives to private investment, or enforcing building codes. Making wise public investment choices requires that elected officials and citizens have a systematic way of evaluating investment choices and that the City's financial resources are managed in a professional manner consistent with FOCUS objectives.

To understand the recommendations herein, it is helpful to review the City's current financial condition.

Current Financial Condition

- Unlike most cities, Kansas City benefits from a diverse revenue base and is not overly reliant on property taxes
- Taxes for individuals and businesses comprise 50 percent of the total revenues used to cover the costs of existing services
- Operating expenses account for 74 percent of the current budget with the balance dedicated to capital improvements and debt service
- When dividing expenditures into FOCUS objectives, 66 percent of the total is accounted for in the following two categories: Infrastructure and Environmental Stewardship and Neighborhood Safety and Livability
- Expenditures are anticipated to exceed revenues for the next five years, creating a structural imbalance ranging from \$5.9 million to \$10.4 million
- The city's current debt levels are above the norm and future issues should be considered based on the tenets of the financial plan
- Two events affecting the city's current revenue base are the expiration of two one-half cent sales taxes in the year 2000 and the deregulation of the utility industry.
- In order to fund FOCUS initiatives, the city can consider enhancing existing revenues, adding new sources, and shifting the burden to local taxing districts and/or developers.

- Kansas City has a relatively high tax burden compared to other major cities in the metropolitan area. The city ranks second highest for individuals and manufacturing/retail firms and third highest for professional firms.
- The city's portion of overall tax burden ranges from 17 to 22 percent for individuals and 19 to 27 percent for businesses firms.
- The tax burden differs depending on the school district in which a business is located or an individual resides.

Without a financial policy guideline, linked to the established community objectives in financial decisions are often determined by the most pressing immediate need or opportunity, with mid- to long-range objectives frequently relegated to "next year's" budget. The City's capital maintenance and capital improvements expenditures offer an excellent example of this phenomena. Deferred maintenance of the City's capital assets has long been recognized as a problem that would only get worse if not specifically addressed in a comprehensive manner with a dedicated revenue source. The Community Infrastructure Committee, of the Chamber of Commerce, working with FOCUS, for example, has estimated that needed "catch-up" level funding for capital maintenance will require annual operating funds contributions increases of \$5 million for the next eight years to bring the current \$20 million to \$60 million by Fiscal Year 2005-06.

Another trend addressed by the Plan is the increasing use of development incentives to spur local economic development. The resulting job creation and redevelopment of blighted areas are clearly laudable objectives for Kansas City. However, there have been concerns that, in some instances, the use of tax-based incentives such as Chapter 353 tax abatement and tax increment financing (TIF) has been driven more by developer initiatives than by the City pursuing a pro-active redevelopment policy linked to an overall plan. There is also increasing concern that TIF, in particular, may be negatively impacting the City's debt capacity as more and more TIF-backed debt obligations are issued to finance redevelopment projects. In response to these issues, the Plan has formulated a number of specific recommendations and strategic actions to guide the use of such development incentives.

A Perspective On A Financial Framework For FOCUS

A Financial Framework is included in Appendix D to identify the potential mechanisms for supporting the numerous FOCUS initiatives that are within the City's purview throughout all seven Plans. A matrix of these initiatives is included as well.



ASPIRATION: Kansas City should establish and follow a set of financial management strategies formulated to ensure that financial resources are available to meet present and future needs

Initiative: Revenues

Design, maintain and administer a revenue system that will assure reliable, equitable and diversified revenue streams sufficient to support desired City services.

Actions:

- **Balance and Diversification in Revenue Sources:** The City shall maintain a balanced and diversified revenue structure to protect the City from fluctuations in any one source. Maintaining revenue balance and diversification may require public education and resisting pressures to “simplify” the tax structure.
- **Tax Equity:** The city's objective should be to establish a tax structure that is equitable and conducive to investment.
- **User Fees:** To the extent practical and equitable, fee-supported services shall be self-supporting. Where feasible and desirable, the City shall seek to recover full direct and indirect costs, but shall also acknowledge that consideration and provision must be made for users without economic resources to pay full cost for some quality-of-life services (parks and recreation, immunizations, etc.). User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to current fee structure, and to recommend adjustments where necessary.
- **Utility Rates/Enterprise Funds User Fees:** Utility rates and enterprise fund user fees shall be set at levels to generate revenues sufficient to cover operating expenditures, meet debt obligations, provide on-going funding for capital improvements, and provide adequate levels of working capital.

- **Administrative Service Charges:** The City shall establish a method to determine annually the administrative service charges due the General Fund for overhead and staff support.
- **Revenue Estimates:** The City shall use a realistic, objective, and analytical approach when preparing revenue estimates.
- **Revenue Collection and Administration:** The City shall maintain high collection rates for all revenues. The City shall pursue collection of all delinquent payments to the fullest extent allowed by law. The City shall be fair and equitable in all revenue collection practices.
- **Public Education:** A public education program should be developed to inform citizens of the City's tax structure, collection system, and expenditure policies. This program should include information on the City's comparative tax burden vis-a-vis other communities.



Initiative: Operating Expenditures

Identify priority services, establish equitable and appropriate services, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of services.

Actions:

- **Current Funding Basis:** Operating expenditures shall be budgeted and controlled to ensure that they do not exceed current revenues.
- **Avoidance of Operating Deficits:** The City shall take immediate corrective actions if, at any time, during the fiscal year expenditure and revenue re-estimates are such that any operating deficit is projected at year-end.
- **Use of One Time Resources:** One time revenue sources shall be used for one time expenditures that do not result in on-going operating or maintenance costs.
- **Maintenance of Capital Assets:** The City shall maintain funding of capital assets and infrastructure a level sufficient to protect the city's investment, to minimize future replacement and maintenance costs, and to insure continued service provision.

- **Fee Supported Services:** To the extent practical and equitable, fee-supported services shall be self-supporting.
- **Purchasing:** The City shall make every effort to obtain the best value for goods and services and to maximize discounts offered by creditors/vendors within the context of all applicable city policies such as MBE and WBE participation.



Initiative: Capital Expenditures

Utilize capital expenditures to invest in infrastructure and equipment to ensure the long-term growth of the local economy and to ensure the wise use of capital resources. These strategic capital investments should be based upon a City Council-approved five-year Capital Improvements Plan adopted on an annual basis.

Actions:

- **Capital Improvement Planning Program:** The City shall annually review capital improvements and equipment needs, the current status of the city's infrastructure replacement and renovation, and potential new projects.
- **Replacement of Capital Equipment:** The City shall make every effort to replace capital equipment by the end of its useful life.
- **Private Development:** The City shall establish a financial review process for private development seeking economic incentives. Where practical and equitable, private development shall pay for the basic infrastructure for which it creates a demand.

Initiative: Fund Balance

Maintain a fund balance sufficient to protect the city's creditworthiness as well as its financial position from unanticipated emergencies.

Actions:

- **General Fund and Operating Fund Balances:** Establish and maintain a fund balance to cover emergency situations based on a minimum of one month's operating budget expenditures or in accordance with generally accepted governmental accounting standards.

- **Use of General Fund Balance Above Minimum:** The fund balance shall be used for one time expenses that do not lead to on-going expenditures.
- **Use of General Fund Balance Below Minimum:** The fund balance shall only be used to balance the budget in the case of an emergency which only occur every five to ten years. In the event of the fund's use, it should be replenished on a priority basis.
- **Lease Revenue Debt Service Funds:** Establish and maintain a fund balance sufficient to cover the next year's debt service payment.
- **Capital Project Funds:** A minimum of a five percent of project revenues should remain in fund balance to account for fluctuation in revenue streams.

Initiative: Debt

Establish guidelines for debt financing which minimize the impact of debt payments on current revenues and allow the City to maintain no less than an AA or equivalent credit rating.

Actions:

- **Criteria for Financing:** Infrastructure improvements and capital equipment financed by debt shall have a useful life that equals or exceeds the life of the bonds, shall have a useful life of at least ten years, shall be a major investment too large to be funded through an annual budget expenditure, and shall be essential to the provision of City services as determined by credit rating agencies, credit enhancer or insurance companies.
- **Cost of Issuance:** Bond issuance costs should be minimized through a competitive selection process.
- **Debt Service Revenues:** Revenues dedicated to debt service should be stable and predictable.

Initiative: Cash Management

Establish guidelines for efficient cash management.

Actions:

- **Cash Management:** The City shall manage the inflows and outflows of cash in order to provide adequate cash for operations and concentrate idle funds.

- **Investment Guidelines:** The City shall invest idle funds in such a manner as to ensure preservation of capital, provide adequate liquidity, and maximize interest revenues.

Initiative: Grants

Seek, apply for and administer federal, state, local and foundation grants that address the city's current priorities and policy objectives.

Actions:

- **On-going Costs:** The potential for incurring on-going costs shall be considered prior to applying for a grant.
- **Matching Costs:** If there are cash match requirements, the source of funding shall be identified prior to application.
- **Indirect Costs:** The City shall recover full indirect costs unless the funding agency does not permit it. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.
- **Grant Program Termination:** The City shall terminate or reorganize grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified and approved through the budgetary process.

Initiative: Intergovernmental Relations

Coordinate efforts with other governmental entities to solve problems on a regional basis, achieve common policy objectives, share the cost of providing governmental services on an equitable basis, and support favorable legislation at state and federal levels.

Actions:

- **Cooperative Service Delivery:** In order to promote the effective and efficient delivery of services, the City shall seek to work with the other local jurisdictions in joint purchasing consortia, sharing facilities, sharing equitably the costs and benefits of cooperative service delivery, and developing joint programs to improve service.
- **Multi-Jurisdictional Legislative Program:** The City shall cooperate with other jurisdictions to seek better state and federal laws, programs, and regulations. The City shall propose, promote and

support legislative initiatives that provide more funds for priority local programs, including alternative and additional taxing authority for local jurisdictions.

- **Regional Investments:** The City shall seek multi-jurisdictional support for investments that may be regional attractions or have regional appeal (see page 63).

Initiative: Voter Approval of Sales Tax

By vote of the people, the City currently levies two half-cent sales taxes: one for capital improvement purposes, and one for capital improvement purposes that was previously used for schools. Both of these taxes expire on December 31, 2000. Under current statutes, the City is authorized to seek voter approval for an additional one half-cent sales tax for capital improvement purposes.

Actions:

- Support the Community Infrastructure Committee's recommendation to use two of the one-half cent sales taxes for capital improvement purposes:
 - a. seek voter approval to renew the current sales tax for capital improvement purposes before it expires;
 - b. seek voter approval for the additional half-cent sales tax for capital improvement purposes.
- Consider the needs of public education in support of the "people infrastructure" in the city.

Initiative: Community Infrastructure Committee Recommendations

The Community Infrastructure Committee (CIC) was created by City Council Resolution for the purpose of investigating and identifying the City's infrastructure needs. The CIC organized itself around specific infrastructure categories with three subcommittees: financing, needs assessment, and policies, processes, and rating methodologies. These subcommittees focused on the development of systems, processes, goals, policies, and guiding principles that would improve the administration of the capital improvement planning, financing, and implementation processes. The Committee worked with the Governance Work Team and the City-Wide Physical Framework Work Team of FOCUS to include, amplify, and implement FOCUS recommendations into the infrastructure planning and financing process.

The Governance Work Team worked primarily with the Financing Subcommittee. Financing determined that their priority was to address the following objectives:

1. Review and critique Kansas City's existing capital funding mechanisms.
2. Investigate and recommend alternative funding mechanisms.
3. Develop policies guiding the use and management of all funding mechanisms.

This initiative summarizes the main points of their July 1, 1997 draft report. The full report is included in Appendix E.

- The City should identify a means of funding the three broad categories of capital improvements: neighborhood projects, city-wide projects, and strategic initiatives with strategic initiatives consisting of major individual projects or a collection of several related projects of significant cost and city-wide importance. Sources of funding must be tailored to the nature of specific projects and strategic initiatives must have their own specific and dedicated source of revenue to fund them.
- There is no "silver bullet" which is going to solve Kansas City's capital funding problem. However, there are several suggestions for increasing the funds available for capital improvements. Most of these ideas either involve redirecting funds which currently supports another program (e.g., using CDBG for capital improvements) or do not have the potential for generating significant revenue.
 - a. The City should consider increasing the hotel/motel tax to 10 percent, with the entire increased revenue dedicated to the improvement of structures which are legitimate tourist attractions (i.e., American Royal, Bartle Hall, Starlight Theater, Nelson-Atkins Gallery.
 - b. The City should support separating stormwater management from that of sanitary sewers. To accomplish this feat, as suggested by the Water Services Department, a public vote should be held to increase the impervious surface fees to match run-off as determined by the Geographical Information System (GIS) and to properly fund completion of the stormwater

master plan and ongoing maintenance of the City's watersheds.

- c. The City could consider redirecting a portion of its Community Development Block Grant funding to the capital improvements program.
 - d. The City could implement facility use charges (rental payments) for all users of city facilities (internal and external) and dedicate this money to the maintenance and upkeep of those facilities.
 - e. A one-time infusion of funds could be garnered by selling one of the City's smaller airports (Richards-Gebaur or Downtown). Additionally, the Water Services or convention facilities could also be potential candidates for sale. Of course, the sale of any these facilities translates into a loss of control for the City (water and sewer rates, landing fees, convention bookings, etc.) and any potential income from the enterprise operations such as administrative service charges would have to be made up elsewhere in the budget.
 - f. Encourage the use of NIDs, SBDs, CIDs and additional special assessment programs to leverage scarce City resources.
 - g. The City could take a more proactive role in expanding its use of impact fees to shift the burden and service costs onto those who create the need. An impact fee strategy could be adopted to incent development in areas adjacent to already developed areas or provide a negative incentive to do otherwise. The City would need to work very closely with the development community to obtain their input in building the most equitable impact fee system.
- Fund Capital Maintenance Adequately from Operating Funds
 - Catch Up the Worst Deferred Maintenance Problem -- Bridges
 - Provide a Reasonable Level of Funding for Completion of Ongoing Projects and Funding of New Requested Projects

- Protect Capital Improvements Funding from Competition
- Protect Kansas City's Credit Rating and Limit the Per Capita Debt Burden on Kansas Citizens
- Require Operating and Maintenance Pro-formas for projects in excess of \$500,000
- Maintain a capital projects reserve fund

Aspiration: Kansas City aspires to gain greater control and/or the authority to determine its own tax structure.

Initiative: Legislation

Evaluate current state legislation and craft amendments and/or new legislation to improve the city's ability to fund its operating and capital improvement needs.



Actions:

- Change majority voting requirements for taxes and fees
- Change majority voting requirements for general obligation bond elections
- Change state statutes to give local governments more authority to ask voters directly about changes in taxation and fees

Aspiration: The City will use development incentives to encourage private development that achieves FOCUS priorities and is proactive whenever possible.

Initiative: Community Benefits

Every development incentive should be an investment in the community's future. Therefore, there should be expectations that the community will gain from these investments. The city's intention is to provide seed money to encourage investment, rather than unlimited, continuous funding.

Actions:

- Financial Benefit: Financially, the community should be able to obtain more in revenues, over time, than the property would produce without the use of incentives.



- **Non-financial Benefit:** The community should consider other forms of return in addition to or in lieu of financial returns. These include the degree to which incentives help the City achieve stated goals and objectives, such as those reflected in FOCUS Kansas City, the city's economic development policies, and the Competitive Economy Building Block. These include workforce development and training, access to and use of technology, availability of capital, physical infrastructure, institutional support, availability of development sites and quality of life.
- **Inter-jurisdictional Benefit:** Kansas City should not receive a return on its incentive investment at the expense of sister jurisdictions in the bi-state metropolitan area. Neither should Kansas City be a net loser of development and resources due to the actions of other metropolitan jurisdictions.
- **Overlapping Jurisdictional Benefit:** Jurisdictions measurably affected by the use of development incentives should participate in the decision to authorize the incentives.
- **Regional Cooperation:** Kansas City should be a cooperative participant in a regional dialogue to address the use of tax incentives.
- **Meeting Multiple Priorities:** Projects receiving development tax incentives shall meet multiple priorities, the highest of which include the following:
 1. **Promoting development in specific locations**
 - Infill development city wide
 - Development in the Central Business Corridor
 - Multi-modal centers, including recreational amenities
 - Mixed-use centers
 - Along specified corridors in the FOCUS Plans and Building Blocks
 2. **Promoting development of a specific type**
 - Development of new urban villages
 - Meeting very high urban design standards in the suburbs

3. Encouraging rehabilitation

-Residential rehabilitation in stabilization areas and neighborhoods, not for single units, but in areas of substantial size

-Historic districts and properties especially prioritizing those properties that would be demolished otherwise

4. Encouraging desirable redevelopment of small-scale commercial areas (consistent with City Plans)

5. Attracting business of certain types

-Environmentally sensitive businesses

-Developers who address the health, employment or education of employees

6. Mitigating environmental problems such as contaminated sites and brownfield areas

- Neighborhood Improvement Initiatives: Require that a percentage of taxes or fees generated by projects receiving tax incentives be allocated to a special fund to be used for neighborhood improvement initiatives. This could be for improvements in the impacted neighborhood or for community-wide neighborhood projects, so long as a “rational nexus” connection were demonstrated.

Initiative: Review Process

The City should follow a consistent and predictable review process.

Actions:

- Application for Incentive: The City shall establish a unified review process for each type of incentive available that will communicate requirements before the process begins.
- Project Performance Monitoring: The City shall monitor performance to determine if the conditions of the incentive are being fulfilled. Failure to fulfill conditions could result in discontinuation of the incentive, pay back of incentive dollars, or revision of negotiated time limits.

Initiative: Development Incentive Review and Evaluation

Evaluate existing development projects and districts and available incentives and possibly create new incentive tools or adapt existing tools to meet contemporary development challenges.

Action:

- The City Plan Commission should systematically review existing development projects and districts that have been granted tax abatement, TIF, or other incentives (but have never been built) for consistency with FOCUS priorities and determine which ones should be sunsetted. Consider time restrictions for incentives to be granted for planned development.
- Periodically evaluate existing development incentives in light of contemporary development challenges. The City shall be proactive in the development of new incentive tools to address future needs.



Initiative: Incentives

The City shall encourage the use of other incentives (besides tax incentives).

Action:

- Provide other incentives for the following:
 1. Promoting owner-occupancy
 2. Contiguous development accomplished through the development process since FOCUS recommends that new development should be contiguous and it is not logical to provide priority incentives for all new development
 3. Clustered development,
 4. Providing light rail transit
 5. Funding and constructing parkways and boulevards
 6. Promoting special business districts
 7. Promoting anchors
 8. Encouraging capital improvements

Aspiration: Kansas City should establish and adhere to guidelines for making decisions on major financial investments.

Initiative: Community Impact Statement

A Community Impact Statement shall be developed and used to evaluate major expenditures and investments by the City. The Community Impact Statement will produce information in a standard format so that those considering investment decisions can have reliable and consistent information to make financial decisions in the context of the FOCUS Strategic Comprehensive Plan.

The purpose of this process is to provide useful data for City Council members and citizens as part of the financial decision-making process. The process shall include both quantitative and qualitative analyses of proposed new expenditures/investments. Project/project proposers will prepare the Community Impact Statement and shall be reviewed by staff as part of a standard administrative process. Staff assigned to the review shall be sufficiently independent to provide effective and objective judgment. Some projects will require the use of outside expertise.

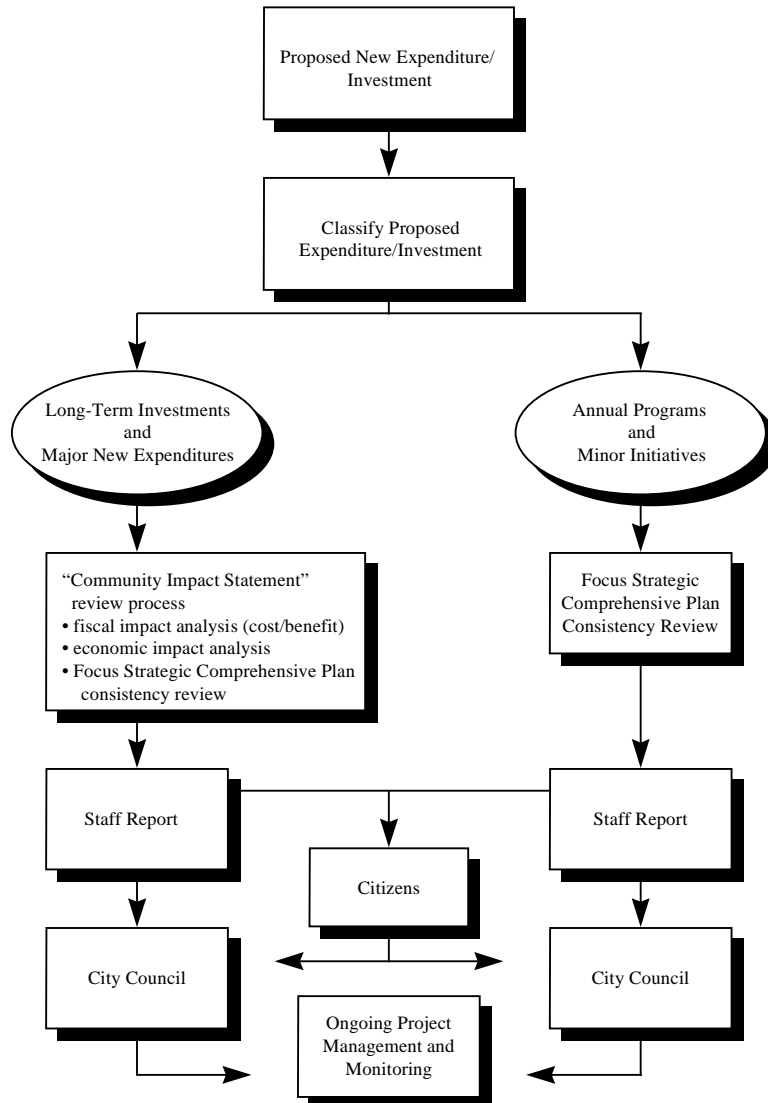
Depending upon the type of investment being considered, the Community Impact Statement may be performed by and reviewed by different individuals and organizations. It is anticipated, for example, that a large private development project seeking public participation through tax incentives would require that the developer prepare the Community Impact Statement. The City Plan Commission would be given responsibility for reviewing land use aspects of FOCUS compatibility while EDC would review it for compliance with FOCUS economic development consistency. The City Finance staff would likely be charged with reviewing how the Community Impact Statement addressed debt or fiscal impact issues. In this manner, the many land use, economic, cultural and physical objectives of FOCUS can be evaluated before the “deal” is negotiated. Clearly, the mechanics of this process have to be established and routinized for different types and levels of projects and investment proposals. Otherwise, the review process itself will become an impediment to the private and public investments being sought for the community.

Actions:

- **Fiscal Impact:** A fiscal impact analysis shall be prepared containing analysis appropriate to the project including, but not limited to, the following:
 1. Direct and indirect cost of investment
 2. Financing method and/or structure
 3. Source of revenue
 4. Potential savings or revenues generated
 5. Opportunity costs
 6. Cost/benefit
 7. City debt position impact
- **Economic Impact:** An economic impact analysis shall be prepared containing analysis appropriate to the project including, but not limited to, the following:
 1. Direct impact
 2. Indirect impact
 3. Transfer effects
 4. Multi-jurisdictional impact
- **Strategic Plan Analysis:** The City shall conduct an analysis to determine to what extent the proposed expenditure or investment is consistent with the 14 principles of FOCUS and the FOCUS Strategic Comprehensive Plans.

A flow chart illustrating how the general evaluation process would work is provided herein. However, review should be conducted as an on-going activity at appropriate steps in the proposal process.

City Investment Evaluation Process



City Management Applications

Aspiration: Kansas City government provides a guaranteed bundle of essential city services to its residents.

The city budget process is the vehicle through which annual priorities are set for city programs and services. Revenues may vary, different needs may arise at different times, and direct services to residents must be combined with services that effect the entire city, such as the airport or revenue collection. The City Council must always weigh these matters with current information and the FOCUS priorities annually in the budgeting cycle.

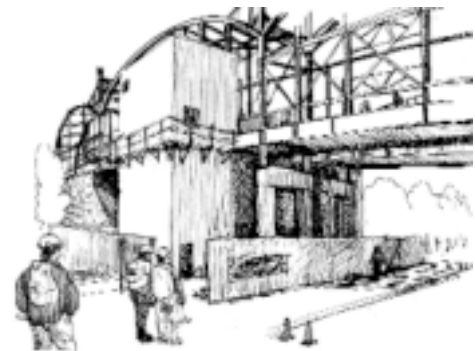


To achieve some of the long term goals identified by FOCUS, it is helpful to develop an evaluative tool for prioritizing “essential” or “basic” services in order to more clearly define the role and responsibility of city government in meeting the needs of the community.

Initiative: FOCUS Priority Services

The FOCUS planning process identified FOCUS Priority Services for the City. These services are targeted at meeting the fundamental needs of all citizens and are described below:

- Protecting the lives and property of Kansas Citians
- Providing responsible stewardship of the public’s capital assets, including alternative transportation connections throughout the city with many different transportation modes in order to move people and goods throughout the city
- Safeguarding the natural environment
- Planning for quality places to live and work (neighborhood livability)
- Improving the city’s economic base by increasing property values, creating jobs, and improving opportunities and incomes of city residents



Actions:

- **Service Analysis:** The city should continue to develop, refine and use an objective tool to evaluate the necessity for specific city services based on the FOCUS Priority Services. City staff will produce objective rankings of city services and programs based on criteria related to the legal basis of the service, the size of the constituency served, unique need for the City to provide the service, and any obligation demonstrated by voter approval.
- **City Resources:** FOCUS Priority Services, should be budgeted at levels that meet the level of service required to meet the human and capital needs as expressed by the community.
- **Budget Preparation:** Operating and capital project managers should justify funding requests with evidence of positive impact on achievement of FOCUS priorities.
- **Administrative and Supporting Services:** Those services that are necessary to sustain the administration of city government (tax collection, auditing human resources, etc.) should re-evaluate their missions to support FOCUS initiatives and service priorities.

Aspiration: Kansas City government has clearly established management accountability goals for implementation of FOCUS service priorities.

As in Kansas City, other major municipal governments have sought to devise organizational structures that clearly fix accountability for efficient and effective service delivery. In their search for improved management accountability coupled with enhanced citizen/customer focus, other cities have also reorganized to reduce the number of discrete operating departments, combine and/or recombine similar functions within departmental units and establish senior level managers responsible for functionally related services and activities.

Initiative: Management Structure

Organize the management structure of city government based on “service lines” derived from the FOCUS service priorities, along with the necessary supporting processes. Each service line should be headed by clearly identified, accountable senior managers who should aggressively identify and eliminate barriers to improved management and service delivery.

Actions:

- **Organizational Plan:** The City Manager should be delegated the specific authority and responsibility for the detailed organizational plan of the city government within this general guideline. The Manager must be allowed to match the particular strengths, abilities, interests and capabilities of his/her management team to the immediate and continuing tasks of daily operation. No organizational structure can or should be considered static or rigid. Nevertheless, the organizing principle should be to ensure clear management accountability for the responsive and efficient delivery of priority services.



While the particulars of the organizational structure and plan should remain flexible and within the direct purview of the City Manager, five major service lines closely related to the priority service delivery objectives of FOCUS might be:

- Protecting the lives and property of Kansas Citians
 - Providing responsible stewardship of the public's capital assets, including alternative transportation connections throughout the city with many different transportation modes in order to move people and goods throughout the city
 - Safeguarding the natural environment
 - Planning for quality places to live and work (neighborhood livability)
 - Improving the city's economic base by increasing property values, creating jobs, and improving opportunities and incomes of city residents
- **Competitive Service Delivery:** To the extent that the city can deliver services competitively (measured on a true, full-cost basis), it should continue to do so. Where it cannot, the city should consider that the service be outsourced, privatized or delivered in partnership with other public and/or private entities.
 - **Information Systems:** Integrate city-wide information systems to improve, simplify and speed processes. Provide "enabling technologies" to permit efficient delivery of services at the lowest possible organizational levels.

- **Performance Measurement:** Establish specific FOCUS priority service standards and measures for every discreet city program; invest in measurement tools and supporting technology necessary to record, track, monitor and manage achievement of established FOCUS service standards; and directly link budget allocations to measured service levels.

Aspiration: Kansas City government is a national model of citizen-centered service delivery.

Citizen-centered government is grounded in the belief that City Hall listens to and responds to the specific service needs and desires of the taxpaying public. It requires a flexible, inter-departmental organization that is responsive to the needs of neighborhoods, businesses, organizations and citizens. It emphasizes problem-solving approaches to service delivery (similar to the community policing model) and engages citizens in the problem solving approach. Desirable outcomes are defined with citizens and actual performance is measured against the achievement of those outcomes.

Initiative: Service Areas

The City should establish a “Service Area framework” to deliver outcomes-based city services and programs. This framework, common to all departments, would provide a flexible structure for planning, organizing, delivering, and evaluating the services across the community.

Actions:

- **Multi-disciplinary Teams:** Establish multi-disciplinary and cross-departmental priority service delivery teams. These team members should be collectively responsible and mutually accountable for coordinating the planning, organization, staffing, budgeting and operation of priority services for their assigned service area, specific task or issue. The exact composition of each team will be dictated by the particular needs and requirements of the service area or issue and should include considerations such as neighborhood prototype, issues within specific geographical areas, and city-wide policy issues.



- **Public Involvement:** The service team should have primary responsibility for the development of individualized methods and techniques for including the public in the governance process. These methods could include, but are not limited to, citizen advisory councils, regular citizen surveys/market research, regular or as-needed community forums, planning workshops, etc.
- **Support Systems:** Target delivery of internal city management support systems and support to the service teams. Critical to the success of the service team framework is the provision of continuous training and development support to the service delivery teams, development of priority service performance measurements appropriate for each area or issue, and the realignment of compensation and related systems to encourage team performance.
- **Employee Performance Standards:** Establish clear measures of employee and work unit performance in the achievement of citizen-focused service standards.
- **Employee Development:** Continuously invest in employee development; train, and re-train workers to work in teams focused on citizen-oriented service delivery and better ways to implement the FOCUS initiatives that are the City's responsibility.
- **Best Practices:** The City should incorporate regular and systematic assessments of the best practices and innovations in citizen/community oriented governance and incorporate and/or adapt those practices for Kansas City.
- **Citizen Access:** Develop and commit to an aggressive and comprehensive program of citizen communication, marketing and public relations to ensure that the public has access to current and accurate information about city government and to proactively promote the accomplishments of the government to the public.
- **Effectiveness:** Institute a regular cycle of external reviews of the efficiency and effectiveness of city programs, services and management.

Aspiration: All elected officials, appointed board and commission members, and professional staff should adhere to coordinated, objective, and linked decision making processes between their respective jurisdictions.

Initiative: Ethics

Implement comprehensive ethics training for all city personnel, elected, and appointed officials; require regular refresher courses; incorporate ethical standards for supervisors and employees as an explicit aspect of employee performance evaluations. (See Citizenship aspiration on p. 75)

Initiative: Role of the City Plan Commission

The City Plan Commission (CPC) should take the lead role in evaluating all plans and development projects as a first step in the plan and development approval process.

Actions:

- The CPC should coordinate (through joint meetings and review) an effective process for specific review by appropriate agencies and boards to determine financial tools, development incentives, landmark status, etc.
- The CPC will encourage the early use of the Community Impact Statement in the public hearing and approval process.
- The CPC will take the primary responsibility to determine if proposed plans support FOCUS priorities and objectives.

Initiative: Boards and Commissions

Kansas City's tradition of diverse, independent and decentralized decision-making has led to the creation of numerous permanent and ad hoc boards, commissions, authorities, and committees that have varying degrees of influence. Some of these bodies are simply advisory in nature, while others have significant administrative roles. Some of the key Boards and Commissions with the greatest autonomy (Housing Authority, Tax Increment Financing Commission, Parks and Recreation Board, Area Transit Authority, Police Board) have spheres of influence directly related to the achievement of FOCUS priorities.

Actions:

- Work with all boards, commissions and committees to align their decision-making with the achievement of FOCUS priorities
- Continue an ongoing discussion and review about aligning responsibility and accountability to best implement FOCUS priorities.

Regional Leadership Applications

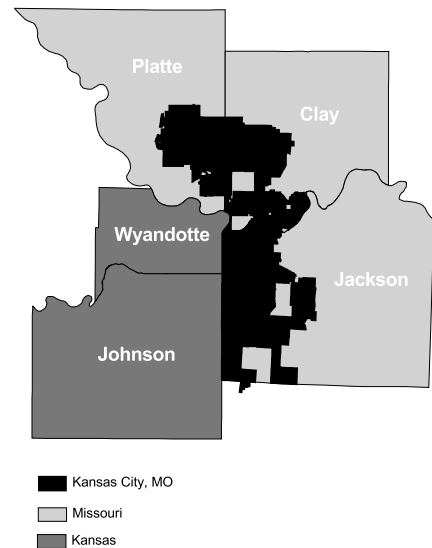
Aspiration: Kansas City should continue to provide leadership and actively promote cooperation between governments for implementation of FOCUS service priorities that require metro-wide or intergovernmental action.

Initiative: Continue inter-governmental coordination around the service priority of the protection of life and property

Actions:

- Emergency Response: Continue the 911 system and explore additional emergency response coordination.
- Criminal Justice: Continue to explore consolidation of detention and criminal justice services and facilities. In the 1995 Report of the City/County Cooperation Project cooperative relationships were established, including prisoner detention, related services, and public building security.

Kansas City, Jackson County and MARC have prepared audits and reports from citizen groups regarding the responsibilities of the City, County and region to address detention facilities and judicial processes. As a result, there is a basis for ongoing dialogue by the City regarding transferring or consolidating detention/correction expectations, as well as identifying administrative and operational functions that might be shared between Police Department and other City departments and the appropriateness of processing certain cases and sentencing certain offenders through the County Court system rather than the City system. Prior reports have also suggested further dialogue about a regional jail facility.



Initiative: Continue intergovernmental cooperation around the service priority of stewardship of capital assets.

Actions:

- **Transportation:** Pursue cooperative efforts under the leadership of MARC, who is the federally designated metropolitan planning organization for the region's transportation planning. In 1994,



MARC was in the midst of restructuring the region's long-term strategic planning process as required by the 1991 Intermodal Surface Transportation Efficiency Act (ISTEA). The purpose of this act was to help ensure a solid regional transportation system well into the 21st century. This long range planning looked at all forms of transportation including light rail. In 1996, following two years of this planning, adoption of Transportation 2020 happened. Its premise was that "all parts of the region must remain or become healthy". The proposal provided a policy outline for current

and future transportation goals. In 1997, MARC initiated the Perimeter Transportation Needs Assessment (PTNA) to achieve area agreement on how best to address transportation concerns in the metro area. Other transportation studies conducted by MARC included the Major Investment Study (MIS) which took place in southern Clay and northern Jackson counties and Congestion Management System (CMS) which looked area-wide at issues of congestion and identified strategies for relief.

- **Street Maintenance and Infrastructure Development:** Continue discussions with the counties. The City of Kansas City and Jackson County, Missouri are working towards an interlocal agreement for street maintenance in selected areas around the metropolitan community since 1995. Clay and Platte Counties have met with the City to discuss Northland infrastructure needs.

Initiative: Continue intergovernmental cooperation around the service priority of the environment.

Actions:

- Continue organized dialogue on environmental issues under the direction of MARC. In 1994, MARC's Solid Waste Management

District worked on the Missouri side of the region to help communities with state mandated waste-reduction goals. By the end of 1994, the participating communities had reduced the land-fill waste stream by 20%. MARC staffs two area hotlines that in 1996 provided recycling information to over 9,000 callers. In cooperation with the National Resources Conservation Service, MARC has provided support to conservation efforts on both sides of the state line to communities on a variety of issues including the proper use of lawn fertilizers, disposal of hazard waste and mulching and seeding to reduce soil erosion. MARC has also provided a leadership role in implementing the metropolitan greenway proposal metro green.



- Continue to enter into interlocal agreements with other counties and cities. The City/County Cooperation Project recommended an interlocal agreement between Kansas City and Jackson County that would lead to a contract related to hazardous waste handling noting that none currently existed for the county. Jackson County and Kansas City continue to work on intragovernmental cooperation regarding the environment.

Metropolitan-wide cooperation extends to utility service. The provision of water is the most notable example, with many suburban water districts buying water from Kansas City, Missouri. Individual jurisdictions continue to work on storm drainage and other issues of mutual interest.

Initiative: Continue intergovernmental cooperation around the service priority of securing economic opportunity.

The model by which all regional cooperation will now be compared is the passage in 1996 of the bi-state cultural district. This achievement is the result of long and aggressive efforts by city leaders and ordinary citizens alike who saw the need to cross geographic boundaries and build a project together. The first designated project of Union Station was a sentimental and geographically correct choice. The community will want to see how this project proceeds before this model can be used to fund other projects.

Action:

- Area Economic Development Agencies. Continue cooperative efforts with other jurisdictions, Kansas City Area Development Council (KCADC), and area businesses. Kansas City and Jackson County are also currently studying an interlocal services agreement for economic development that would provide better communication between the two entities and increase the ability of their joint efforts. The Clay and Platte County EDC's and Northland Chamber of Commerce have engaged in joint efforts.

The KCADC continues to serve as an umbrella organization to coordinate economic development activity in the metro region. Area business, Chambers of Commerce and government have cooperated on supporting retention and attraction of corporate and non-profit headquarters and to promote the area internationally and as an anchor of the North American Trade axis.

The KCADC or MARC should review direct competition between area communities to determine if that competition hinders or benefits the overall economic development.

Initiative: Continue intergovernmental cooperation and other public/private partnerships around the service priority of neighborhood livability.

Actions:

- Children's Issues. Continue to participate in community-wide efforts. Several years ago, Kansas City Consensus issued a report in which participants from the metro-wide area recommends that children be the focus of regional planning efforts. In that report, civic, community and corporate leaders stressed that focusing on the health and welfare of children is critical. Following that report, business, labor, government and foundations have worked together to support mentoring programs, and enhanced healthcare, family counseling, childcare, and educational and job activities. A partial listing of area wide efforts include the following: the Partnership for Children, is a joint project of the Heart of America United Way Inc. and the Greater Kansas City Community Foundation & Affiliated Trusts, to examine the status of children in the 5-county metro area and give an annual "report card". YouthNet is a network of all facility-based youth providers in Kansas City who coordinates their services and fund-raising efforts. The Community Foundations for Youth is a network of 65 community-based

partnerships representing 500 different organizations across the county working to advance the condition of children whose national headquarters is now in Kansas City. The metropolitan area leadership on behalf of children was just recognized at a recent conference on Children, Stand for Children and was also the site for a recent visit from Colin Powell as the leader for a nationwide initiative that would increase volunteerism with a specific eye towards working with our youth.



- **Enhanced Enterprise Community.** Continue to support and seek federal funding under the empowerment zone programs. In the urban core the Kansas City area continues to address the issues of the urban core without regard to jurisdiction in a bi-state cooperative method with expanded direction from the Enhanced Enterprise Zone. On an ad hoc basis there have been discussions, which FOCUS would want to formalize to link the urban core areas from Kansas City and Independence, Missouri; Kansas City, Kansas; and northeast Johnson County to discuss and address their common concerns.

Aspiration: Initiate on-going cooperative efforts on “region-shaping” opportunities for the metro-wide area.

Initiative: Expand regional discussions to include three basic components in transportation:

- a) Maintenance and repair of existing roads and infrastructure.
- b) Working toward an integrated intermodal system.
- c) “Regluing” the region’s transit system.

Transportation is a key issue to be resolved on a metro-wide basis and FOCUS can be the catalysis for discussion for which there is also a need for regional resolutions. As the area continues to be interdependent on all communities for transportation of employees, the elderly, etc., it is vital to develop a common metro theme as opposed to several independent projects. The existence of the KCATA lends itself to the basis for this project. Addressing the transportation concerns within the city of Kansas City can and should lead to an area-wide discussion of how these trans-

portation issues effect us as a community. FOCUS has looked at various public transportation goals that are compatible with growth issues and employers' concerns over labor transportation. Issues that are addressed by FOCUS also include maintaining the existing transportation infrastructure, and improving the intermodal network. The City Auditor reported:

“Although KCATA was created to provide public transportation to the entire metropolitan area, more than 90 percent of its service is limited to the boundaries of Kansas City, Missouri. There is little coordination with transportation providers serving areas outside the city. Most passengers use KCATA because they lack alternative forms of transportation. As a result, the limited service area effectively prevents riders from using public transportation to benefit from employment opportunities occurring outside the city. Ironically these employment opportunities go unfilled, impacting on the region's economic development. In 1980, KCATA provided transportation services to 11 local governments. By 1996, the system served only five of the jurisdictions.”

SPECIAL REPORT, KCATA: AN EFFECTIVE REGIONAL TRANSIT SYSTEM IS NEEDED, OFFICE OF THE CITY AUDITOR, KANSAS CITY, MO, MARCH, 1997.

It is the position of the FOCUS team that KCATA has the existing tools to address all of these issues on a metro-wide basis; however, there needs to be a dialogue with the organization to determine what financial or manpower limitations might hinder implementation. Additionally, an area of transportation that has not been addressed is the environmental impact the current system has versus what an improved system could provide. More “environmentally friendly” options can and should be explored for the region. Achieving regional transportation goals would address the core FOCUS issues of both the environment and the economic base of the community.

Actions:

- Regional transportation: MARC should review how all modes of transportation, including public transit, serve the regional transportation needs of the community.
- Public transit cooperation: A task force should be formed to review how public transportation can be coordinated beyond the

city limits. As a first step, there should be an effort to develop a “seamless” system in which the 3 area public transit providers (KCATA, Johnson County Transit (JCT) and Kansas City, Kansas (The BUS)), coordinate their fares, schedules, and service. They should then review the KCATA, bi-state structure to determine its viability to provide a leadership role in public transportation issues for the metropolitan area. The task force could also research light rail or fixed rail potential for the metropolitan community.

Initiative: Convene regional forum for dialogue on all regional amenities that should be considered for bi-state cooperation on a phased in, long-term basis.

The bi-state cultural tax is the most talked about starting point for the discussion of metro-wide support of cultural and recreational amenities. While there is major debate about the process of funding these activities, there is less dispute about the particular ones to support. It is also this area that tends to invoke the strongest sense of “community” on a regional basis. The support of Union Station made that clear. The continuing process of this issue will be an important step towards the success or failure of regional cooperation. FOCUS has a real and rare opportunity to engage suburban communities in a dialogue about those activities that are the least stigmatized by geographic location. For some the next part of the bi-state will have a wait and see approach. If the fears, concerns and problems that were advanced by opponents never come to fruition than the viability of more projects becomes likely. How this is handled by principles within the Kansas City community is vitally important to the prospect of the next major project. Once some of the initial reservations are quelled, this question of regional amenities can take on bigger topics such as a regional park or greenway system. Ultimately, success in this area can set the metropolitan region up as a national cultural model.

Additionally, the region must look at cross-jurisdictional tax issues and how those decisions will be made. The process of metropolitan decision



makers related to growth issues needs to be examined relevant to its costs to the community and how that process can be inclusive of all metropolitan communities. Budget considerations and the tax base must be addressed as these region-wide activities take place. This area touches on a number of the FOCUS core issues: Stewardship of capital assets; the environment; the economic base of the community; and issues surrounding neighborhood livability are all affected by this topic.

Initiative: Continue cooperative actions of cities and related chambers of commerce with workforce availability and education.

We have already begin to notice the importance of providing an ample workforce with the needs of employers. This past spring saw the first cooperative effort of several area chambers of commerce to hold metro-wide job fairs to fill the void of employees. These cooperative efforts must continue as the region prepares to deal with governmental changes such



as welfare-to-work and the effect of competitive economies. Recognition of the need to address worker training and job placement serves a dual purpose. It prepares and fills jobs that are currently going without in areas of the community in desperate need of workers. It also provides a much needed boost to a segment of the workforce that is either new to the job market or newly skilled for those positions.

In addition to filling jobs, the metropolitan community can be addressing worker training and education. Duplication of many of these services already exist and as we begin to view this area as one entity and work towards goals of transporting workers to the job needs, we will need to establish a consistent, efficient

training program on a region-wide basis. Worker supply and job opportunities are truly a metropolitan need and therefore should be viewed in a metropolitan context for solution.

We believe there is an opportunity for the bi-state empowerment zone to contribute to this cause. Workforce readiness addresses the core issues of the economic base of the community as we work to achieve lower unemployment by giving our citizens the skills and the access to jobs.

Actions:

- Funding: Seek out specific grant funding and economic incentives to support communities in work force readiness.

- Transportation: Continue work on transportation issues related to providing employers with the available work force.

Initiative: Convene tightly structured, goal driven economic development policy forums which deal with the priorities of attracting and expanding key industries, and which address strategies to eliminate obstacles to continued economic growth.

The region needs to explore additional strategies for competing in the global economy not independently but as a part of an overall FOCUS strategy. The community has demonstrated it can cooperate to address a crisis or to seek an immediate financial opportunity. It also needs to come together around a longer term economic development strategies. Working together as a metro community, we can also attract more businesses and remain competitive with larger markets. A coordinated strategy eliminates local competition and directs efforts in a united front. A coordinated strategy also allows for longer term issues of utility and infrastructure support and workforce readiness to be in place in advance of a long term project.

Focusing on local successes and nurturing those programs that have potential will allow existing organizations to move forward and concentrate on specific regional goals.

KCADDC, which has been involved in existing cooperative efforts, can take the lead. FOCUS core issues of stewardship of capital assets and the economic base of the community are impacted by this discussion.

Initiative: Begin discussions about consistent policy and application of development incentives between jurisdictions in the region.

FOCUS supports the use of incentives in Kansas City as a tool to encourage private investment and to achieve community objectives. The new process will include consistency, clarity, predictability, and accountability; an analysis of a project's relationship with FOCUS and other community objectives before granting incentives; and involvement of City boards and commissions, and the public, in the decision-making process. Kansas City will lead by example by the implementation of these policies. The process will not be effective, however, if adjacent jurisdictions follow different processes and don't apply like prioritization of incentives around shared community objectives. A regional dialogue was initiated by MARC to explore common concerns and to look at interjurisdictional cooperation on economic development.

A metropolitan Kansas City Alliance for Economic Cooperation serves as the basis to expand discussion and find mutual opportunities of support and adoption of local development policies. Continued input from the public and private sector is imperative to gauge the success of this mission. Collaborating with educational institutions, government agencies, service agencies, civic organizations and private sector entities in a series



of ongoing forums to propose and set down economic development strategies in relationship to business recruitment, retention and expansion, and other issues that will improve the region's long term economic competitiveness.

The Kansas City Alliance for Economic Cooperation or other bodies could explore issues of overlapping debt per capita and the impact on bond ratings of local jurisdictions from their own economic development efforts. These points will continue to address the issues of securing economic opportunity for the region as well as the stewardship of capital assets.

Action:

- Strategic goals: Develop strategic goal-setting for the Kansas City Alliance for Economic Cooperation that involves input from all affected jurisdictions.
 - a. Begin discussions of debt structure and ratings on all affected jurisdictions and the impact of capital improvements.
 - b. Assessment of existing economic development incentives of metropolitan communities to determine overlap and negative competition impact.

Initiative: Promote discussions on metropolitan housing patterns between jurisdictions and the private sector.

This is an issue that involves not just local community involvement but work by the private sector as well. If FOCUS can be successful in obtaining participation by suburban communities across county and state lines, it will need to educate these communities on the advantages of structured housing growth. One of those advantages is to provide an ample workforce in proximity to employment. Part of that education will require

input and cooperation from home-builders willing to participate in the process. All of these actions cannot take place over-night but must be done simultaneously with all parts of this program.

Again, if FOCUS Kansas City can help give direction on dealing with these issues within its own boundaries first, then it can lead by example and make a strong case for why this will be successful metro-wide. An existing area of success is Kansas City, Kansas, where mixed-use development is being done successfully. If those participants can be brought on board to explain their methods and why the metropolitan area would be better served by a master plan that encompasses all communities rather than piece by piece, the plan is better served. Analysis of the area land use is essential in this dialogue as well. Support of suburban communities is important in this process. Rather than positioning an approach that dilutes success; FOCUS should seek to duplicate suburban successes. Issues surrounding neighborhood livability is the central theme of this discussion and essential to the goals of the FOCUS plan.

Actions:

- Develop best use/mixed use strategic plans that would upgrade and include existing housing developments and planned housing developments, and use to demonstrate the benefits.
- Develop incentives for public/private ventures to coordinate housing growth, direction and mix.

Initiative: Develop a mechanism to coordinate discussion about metropolitan area land use and growth.

The discussion of growth and land use are intimately tied together. As Kansas City begins to redefine itself and its approach to land use and development, it must help suburban communities recognize their issues as well. How the area grows sometimes begins with a simple question such as "Should we grow?". The suburban communities are already wrestling with this issues and the time is right for a project such as FOCUS to help lead the discussion. FOCUS is addressing land use in the city in a detailed and comprehensive way. MARC may provide a mechanism for coordinating these decisions at the metropolitan level-from identifying the types and locations of land uses to encourage (and not emphasizing what we will prohibit) to defining activity centers and locations where the region will focus growth.

There should be a plan developed that would steer policy regarding land reclamation. Such a plan should identify, and encourage redevelopment

of, sites with environmental problems, including sites that are abandoned or unattended, dilapidated or dangerous.

For purposes of commercial land use discussion, the region's Empowerment Zones, should be instrumental in dialogues involving land-locked and under-utilized areas. Also, bringing in such organizations as the Northeast Johnson County Development and Retention Council and other business retention organizations can effectively address issues of growth management by the older communities in the metropolitan area.

Looking towards land use concerns of the residential sector, there are a number of organizations currently working on all aspects of neighborhood growth, character and development. Groups such as the Wyandotte County Economic Development Council's Neighborhood Cooperative and Kansas City's Neighborhood and Community Services Department's Heartland Area Neighborhood Development Symposium are truly advanced in the dialogue of promoting neighborhood livability.

Finally, in this area, FOCUS and the region would do well to look towards the issues raised and addressed by land use management in Portland, Oregon. The Urban Growth Boundary that has become the benchmark for land use discussions around the country has raised as many questions as it has answered and Portland is struggling, albeit successfully, with its management. This area of study is most closely associated with issues surrounding neighborhood livability but the economic base of the community is also impacted when commercial property is brought in for review.

Actions:

- Continued use of the Empowerment Zones in the metropolitan area for direction on commercial land use.
- MARC should study and report on how controlled land use growth has been handled by other regions (i.e. Portland, Oregon).

Citizenship Applications

Individuals, neighborhood organizations, businesses, institutions, and government all have a stake in the future of Kansas City.

From the beginning, FOCUS has recognized that citizens working in partnership with the City Government is the hallmark of an effective, forward moving community. For this to occur, Kansas City requires a government that actively supports this principle and engages the community in a Governance process.

On an ongoing basis, the City needs to listen and communicate with citizens, provide easy access and channels for citizens to get involved with City programs and activities, help citizens understand governmental processes, and most importantly, to fully and effectively integrate citizens into the City's decision-making processes.

Aspiration: Kansas City should establish innovative ways to listen, communicate with, and provide information to its citizens.

Communication and access to the information being communicated are the elements most critical for creating a well-educated, active, and informed citizenry that will create the connections between people and their government that the New American City demands. Information and communication can also help foster citizenship and provide information that will engage residents in what is happening at both City Hall and in the larger community. Because of its central role in fostering citizenship, the City will take the lead role in a partnership with private interests to establish a system of communication for and among people of Kansas City.

Citizens must be educated on an on-going basis regarding the state-of-the city, and the issues and needs of the community-not just at election time. This effort needs to involve presentations to neighborhoods in the Service Zones proposed by FOCUS, in a form that has significance and meaning to the average citizen.

Actions:

- Utilize FOCUS Centers and provide access to the information system through libraries, places of worship, schools, and other community locations. This should include information about proposed legislation and upcoming community issues, and the activities of City government and Boards and Commissions.

- Use technology tools in the dissemination of information to help gain citizen input plus allow for interaction between citizens and elected officials.

Television Inform citizens through the Channel 19 Kansas City Illustrated concept and use Channel 25 to present educational information about ballot issues, and a quarterly report on City issues. Make tapes available in libraries, neighborhood centers and schools where the information can be viewed at other times and locations. In the future, install television interactive capabilities on Channel 25

Technology Use Star-Touch Technology to obtain citizen input on issues so that elected officials, appointed officials and City staff understand how citizens feel about issues. Include an electronic opinion tallying mechanism. Set up electronic mail to City Hall. Use the KCNET (information system network cataloging local skills, assets, interests) to increase the level of individual involvement in local decision-making and other government activities.

Media Use neighborhood media to disseminate information about local issues. Develop ongoing contacts with “free” publication that serve specific neighborhoods. Encourage the Star and other newspapers to create a government activities section. Include a section on proposed zoning changes and hearing notices.

- A newsletter should be distributed within each area of the City to continually inform residents on the key issues affecting those communities, and to update citizens on the accomplishment of relevant FOCUS initiatives. Baltimore and Phoenix have developed newsletters that could be used as a model.
- An annual newsletter on FOCUS implementation progress should be distributed to the thousands of citizens who actively participated in the FOCUS planning process.
- Use existing resources (for example, Heart of America United Way’s INFO_LINE directory of human service resources) to help dispense information among citizens. The City should take a leadership role, but existing agencies doing this type of activity should also be used to inform citizens.

Aspiration: The City should develop new ways to form linkages to create a sense of community that includes people, neighborhoods, businesses and community groups.

Actions:

- Provide open forums where the opinions of residents can be heard, outside the regular channels of Council/Board meetings, study sessions, and legally required public hearings.
- Building on the FOCUS Community Anchors and FOCUS Centers strategies, the City should develop new ways for schools, places of religious worship, community centers, police stations and other public buildings to cooperate with, and get involved with, their surrounding neighborhoods.
- Building on the FOCUS Neighborhoods Prototypes Plan strategies, work with neighborhoods to find ways to improve their self-reliance, authority and strength. This can be done through training and information sharing and by better determining ways to provide services through neighborhood-based organizations, Community Development Corporations, and other public or not-for-profit organizations.

Aspiration: Kansas City should take the lead in removing barriers, including physical, attitudinal and economic barriers that prevent ongoing citizen involvement in the governance of their community.

Actions:

- Improve public confidence in City Hall - that the City can be trusted and that it operates in an ethical manner - by publicizing all Codes of Ethics for appointed, elected officials and City management, and continuing to inform the citizens of updates to those Codes and the implementation of the Red Flag recommendations.
- Inform citizens of specific steps the City has undertaken to make “citizen satisfaction” and “citizens first” a reality. Update citizens on the improvements derived from these initiatives.
- Develop community supported common goals that are supported by a decision making process that is inclusive. Provide citizens with a means of measuring accountability.

Issues facing cities are often very complex. Many Americans believe that public issues are framed in a way that seems to have no connection to

themselves. The complexity of issues makes current information systems often inadequate, and, in fact, citizens can feel inundated by the amount of information they must absorb. In many communities, including Kansas City, the lack of an overall vision for the community has led citizens to organize around “single issue” ballot initiatives that occur one time and disappear. Over the past five years, the majority of ballot initiatives that have passed in Kansas City have been such “single issued” initiatives. Citizens find it difficult to keep informed when there is an election every few months. That overwhelms the voter and also costs the City money. The goal is to increase voter participation.

- Demonstrate to citizens the new opportunities for participation, shared leadership, and influence that are proposed by FOCUS.

In March, 1995, the International City Management Association developed a “Community Research Survey” to compare the perceptions of local citizens and appointed officials regarding opportunities for citizen participation in local government. Only 50% of citizens felt that elected officials showed a willingness to share leadership and decision making responsibilities and that the decision making processes in their communities were open.

Citizens also were much less optimistic regarding the level of influence they held in community decision making. Just over a third agreed that there are many ways for them to successfully influence the choice of services their local governments provides, while a third disagreed with that statement.

- In addition to enforcing compliance with affirmative action efforts, the city should empower citizens by developing opportunities for persons representing a wide range of racial and economic backgrounds to participate in their government and local community.

Aspiration: Individual citizens should increase personal responsibility and commitment for all aspects of community life and make a positive informed involvement in governmental processes.

Actions:

- Adopt a Citizens’ Creed for the residents of Kansas City to understand and agree to as individuals or as a member of a church, neighborhood, community or civic organization.

- Encourage qualified persons to seek volunteer, appointed, and elected positions and provide easy access to information on these positions to those who have interest.
- Reduce barriers to voter registration, explore mail-in ballots, and otherwise promote voting as a very important component of citizenship. Although thousands of individuals participated in the last 5 year FOCUS planning effort, a relatively low percentage of citizens discuss issues, attend community meetings, or attend Council meetings or Town Hall meetings. A low percentage of the adult population votes.
- While Kansas City has been able to pass individual tax increases for specific projects (airport, zoo, convention center, sewers, street lights, library), multiple use bond elections have not been successful. On some recent elections there has been a 2 to 1 rejection of tax increases. Voter turnout of recent single issue projects has been as low as 10%.

At the same time, public confidence in the future of the city has also declined. Polls taken over the last decade have seen a continued decline in the number believing that the city is headed in the right direction, rather than the wrong direction.

Aspiration: The City should target citizen involvement among 12 to 14 year old youths while including all youth ages 12 to 17 in citizenship building activities to provide positive youth activities

Actions:

- Initiate a “Local Citizenship, Governance and Community” educational curriculum in the schools whereby students learn and understand the Citizens’ Creed and the importance of informed involvement in City affairs. Include the study and understanding of the FOCUS Kansas City Plan, and the role City government has in implementing FOCUS, in this curriculum.
- Involve youth in activities such as voter participation. Establish a goal that by the time they graduate from high school, each youth will be registered to vote.
- Ask young people to encourage their parents, teachers and other adults to vote in local elections. Help them understand that local elections have a direct impact on their daily lives.

- Initiate special student intern programs:

Provide internships to give students opportunities to participate in their government, volunteer to help maintain City facilities, or help provide City services.

Teach youth how to conduct resources surveys for preservation. The City might consider a summer program for this by starting in one neighborhood and then replicating the program in others.

Kansas City Citizens' Creed

Your role as a citizen in Kansas City's future includes your commitment to the following:

To be willing to become involved and participate in the betterment of the city;

To be a good neighbor;

To be willing to learn about and develop an appreciation for Kansas Citizens of diverse ages, backgrounds, cultures, religious beliefs, physical abilities, and language;

To be willing to become involved with the seniors of our community and to provide them with opportunities to continue to play a meaningful part in the community;

To live healthy lifestyles;

To be environmentally responsive;

To be law-abiding;

To be willing to continue to expand knowledge bases and to recognize the personal and community benefits of life-long learning;

To stay abreast of community issues related to the city's heritage, its present, and the community's future well-being;

To be willing to promote Kansas City in a positive manner to others;

To be willing to vote;

To be willing to lend volunteer support to city betterment causes and efforts;

and

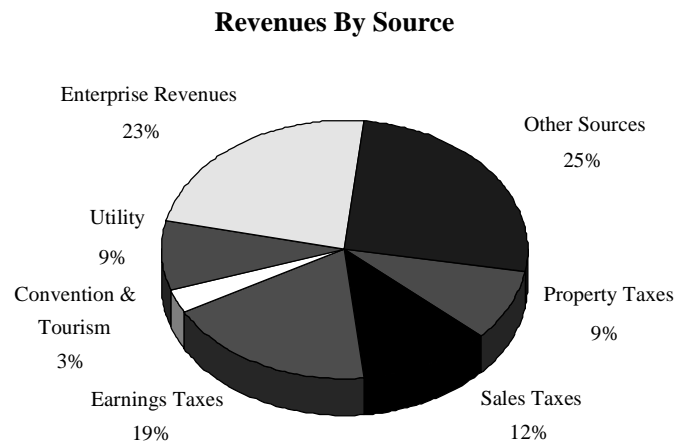
To be willing to express yourself both positively and negatively to elected officials on important issues.

APPENDIX A

Current Financial Condition

Revenue Base

Unlike most cities, Kansas City benefits from a diverse revenue base and is not overly reliant on property taxes. The city's major revenue sources include: enterprise revenue, earnings tax, sales tax, grants, property tax, and utility tax. The following chart depicts the city's major revenues by source for fiscal year 1998:



Taxes and Revenues

The city's general municipal revenues, excluding enterprise revenues, are derived from a variety of means including: taxation, service charges, permits and fees, and intergovernmental grants to finance city services. Taxes are the largest revenue source for the City. Thus our diverse tax structure is the foundation upon which the city's fiscal health is built. A brief discussion of each major tax source follows.

Property Tax

Every person owning or holding real property or tangible personal property on January first of any calendar year shall be liable for taxes, with exemptions for certain properties, such as those used for governmental, charitable, educational and religious purposes. All taxable real and personal property within the City is assessed biannually by the county assessors.

Kansas City may levy taxes on all property, real and personal, within the city's corporate limits that are subject to taxation under the State of Missouri's constitution and laws. Real property, parkway, trafficway and boulevard taxes are collected by the City Treasury. These primary sources of property tax income are due and payable on the first day of September and delinquent on November first of the year in which levied. Interest accrues at the rate of one percent per month after the delinquency date.

Property taxes per \$100 of assessed value for fiscal 1998 are:

| <u>Fund</u> | <u>Levy</u> |
|---------------|---------------|
| General | \$.70 |
| Public Health | .50 |
| Museum | .02 |
| Debt Service | <u>.17</u> |
| Total Levy | <u>\$1.39</u> |

In addition, there are parkway and trafficway levies on land value only at a rate of \$.50 and \$.25 per \$100 of assessed value. The city also collects a boulevard tax for all properties located on boulevards at a rate of one dollar per linear front foot.

Business and individual personal, railroad and utility property taxes are collected by the counties on behalf of the city. The county collected taxes are due and payable on November first and are delinquent on January first of the next year.

The state legislature has enabled the city to increase the general purpose tax levy by ordinance to \$1.00 per \$100 of assessed valuation on property, assuming the combined levy does not exceed \$1.50. The city currently levies \$0.70 per \$100 for general purposes. Collections for fiscal 1998 are expected to generate approximately \$29.4 million.

Sales Tax

Sales tax collection is imposed on the seller for the privilege of selling tangible personal property at retail in the city. All persons purchasing tangible personal property are charged sales tax unless it is specifically excluded or exempted by state statute. Exempted items include prescription drugs, government agency purchases, farm machinery, and manufacturing equipment used to establish new or expand existing facilities.

The tax is collected at the time of retail sale and remitted directly to the state. State remittance schedules are based upon the level of retail sales. The state distributes the tax to local governments no later than the tenth day of each month for moneys deposited during the preceding month.

There are three one-half cent taxes on retail sales levied by Kansas City. The first sales tax was levied in 1971 for public mass transportation and must be reauthorized by the state legislature every two years.

The second sales tax was approved in 1973 for assistance to school districts. When it was renewed by the voters in 1988 for 12 more years, its purpose was expanded to include capital improvements. Beginning in 1994, the one-half cent reverted from assistance to school districts to the city with 75 percent going to fund city-wide capital improvement projects through debt financing and 25 percent to pay-as-you-go neighborhood projects.

The third one-half cent sales tax was levied in 1983, was also renewed in 1988 for 12 years, and was dedicated to capital improvements. Combined, all three sales taxes are expected to generate approximately \$86.4 million during fiscal 1998.

Use Tax

The use tax applies to all purchases of tangible personal property outside of Missouri for use in Missouri. Any purchase that would have been subject to Missouri sales tax had it been purchased in Missouri is subject to use tax.

Use tax rates are:

- 4.225% state use tax
- 1.500% local use tax
- 5.725% total Missouri use tax

The intent of the use tax is to “level the playing field” for Missouri businesses by charging use tax on goods not subject to Missouri sales tax. The local portion of the use tax became effective July 1, 1992. The local use tax was constitutionally challenged in March 1996 and was later reaffirmed by local vote in August of 1996. The Missouri Department of Revenue collects the tax for both the state and local entities. The state distributes the tax to all local taxing authorities who levy a sales tax. Each jurisdiction’s share is based on the proportion of local sales tax generated by that jurisdiction. With ordinance 942106, the City Council has directed this revenue to capital improvements projects. Collections for fiscal 1998 are expected to generate approximately \$9 million. However, current collections are being held in abeyance until the appeal process is exhausted.

Earnings and Net Profits Tax

Withholding and Wage Earner

This is a one percent tax on earned income such as wages, commissions, tips, and other compensation. Items such as interest, dividends, pension income, and unemployment are not taxable. All residents are subject to the tax on earnings whether or not employed in Kansas City. Nonresidents pay the tax on earned income while working in the city. Employers in the city are required to withhold the tax. Employers outside the city may withhold the tax as a benefit for Kansas City, Missouri resident employees. Taxpayers who have the tax withheld on their entire taxable earnings are not required to file a return. Nearly 92 percent of the tax is collected through employer withholding. Taxpayers who have not had the tax withheld file an annual return due on April 15th for the previous calendar year.

Earnings tax was implemented in fiscal year 1964 at a rate of one half percent and increased to one percent in fiscal year 1972. Frequency of remittance is based upon size of payroll and ranges from weekly to quarterly. There are approximately 500,000 employees who have this tax withheld from their earnings and 40,000 wage earners who file individual returns. Recent legislation in Jefferson City concerning deferred compensation will reduce revenues by an estimated \$1.0 million to \$2.0 million each year. Total revenue for withholding and wage earner taxes will be approximately \$118.9 million for fiscal year 1998.

Net Profits

A one percent tax is imposed on the net profits of businesses. Self-employed residents pay the tax on net profits earned from services or work performed both within and outside the city. Self-employed nonresidents pay the tax on the percentage of work performed in the city. Corporations pay the tax on net profits earned from activity in the City and allocate local activity through a three factor formula based upon gross receipts, property, and payroll. In a global economy, corporations can allocate profits to offices located outside of Kansas City thus reducing profits tax collections

Self-employed individuals file annually on April 15th. Corporations file either on April 15th, if operating on a calendar year basis, or 105 days after the end of a fiscal year. There are approximately 40,000 profits tax accounts. Estimated revenues for this tax for fiscal year 1998 will total approximately \$18 million.

Utility Tax

Utility taxes consist of license fees and franchise taxes on electricity, natural gas, telephone, cable television, and steam usage within the city.

The license fees and taxes are remitted directly to the city on monthly and quarterly schedules by utility companies. Business and residential customers are individually assessed based upon gross receipts generated from service usage. While these fees and taxes apply to the utilities, the Missouri Public Service Commission granted utilities the authority to pass-through the charges to the customers. Utility tax rates are as follows:

| | |
|-------------------------------------|-----|
| Electric, gas and telephone | |
| Residential customers | 9% |
| Commercial and industrial customers | 10% |
| Cable television | 5% |
| Steam | 4% |

Utility taxes are expected to generate \$64.2 million during fiscal 1998 with electric power accounting for more than 50 percent of the total. Factors which impact utility revenues include weather patterns, federal deregulation policies and rate changes. There is minimal natural growth in gross receipts generated from electric power, natural gas, and telephone services; fluctuations in weather are largely responsible for significant increases or decreases. Compared to utility rates in the state, Kansas City's rates are high. Utility taxes are approximately nine percent of general municipal revenues.

Convention and Tourism Tax

The convention and tourism tax is imposed on the seller for the retail sale of prepared food or for the rental of rooms for transient guests. The convention and tourism tax is collected by businesses along with sales tax at the time of purchase. The tax applies to all retail sales from restaurants and other food establishments, including caterers, and hotel and motel room rental charges. Sales tax is remitted to the State of Missouri, while the convention and tourism tax is paid directly to the city. Remittance schedules are based upon the level of retail sales and range from weekly to quarterly.

Convention and Tourism tax rates are:

| | |
|----------------------------|-------|
| Food establishment sales | 1.75% |
| Hotel and motel room sales | 5.50% |

There are approximately 75 hotel/motel accounts subject to the convention and tourism tax and 1,000 food establishments. The restaurant tax is expected to generate \$10.9 million during fiscal 1998 while the hotel/motel tax will generate \$10.2 million during the same period.

Occupational License

Occupational license is a fee collected for the right to conduct business in the city. The fee is paid by business types that are listed in the city charter. Certain occupations are exempt from municipal licensing by state statute. Many business types which didn't exist when the occupational license ordinance was adopted are not required to have a license because they were not named in the charter.

The method used for calculating the license is dependent upon the nature of the business. Licenses may be based upon different gross receipts schedules, flat rates, or specific schedules based upon volume of business. There are approximately 100 different fee schedules, flat rates, and other methods for calculating the license fees due.

Businesses pay for the licenses annually, in February. An application for a license is accompanied by a payment of the estimated amount of fee due for the current year's business. This estimate is based on last year's actual gross receipts or other basis. For fiscal 1998 this fee is expected to generate \$14.0 million.

State Motor Fuel Tax

The State of Missouri currently imposes a tax of \$0.17 per gallon of fuel purchased within the state for the purpose of propelling highway motor vehicles. Fifteen percent of the net proceeds from this tax are distributed to incorporated cities within the state. The rate per gallon will return to the 1992 rate of \$0.11 beginning April 1, 2008. Kansas City is expected to receive approximately \$11 million during fiscal 1998 from this source.

Gaming Revenues

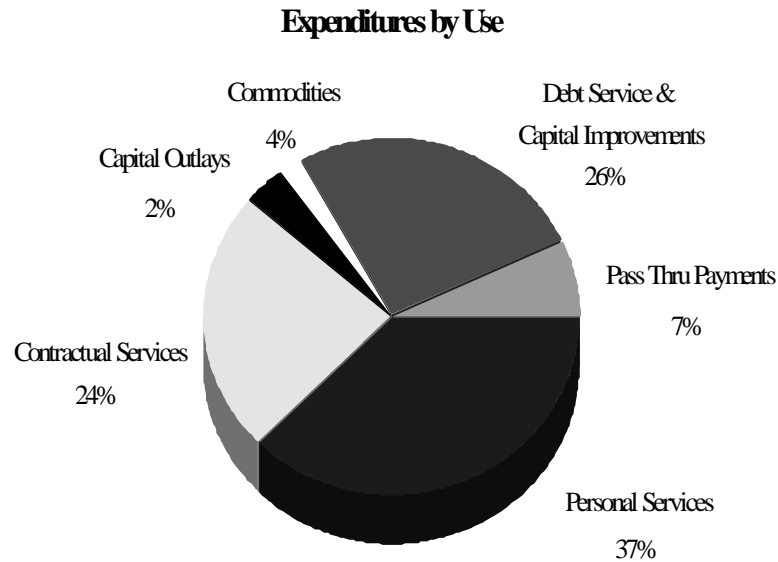
There are currently five casinos in the metropolitan area and three are within the Kansas City limits. These revenues are generated by river boat gaming. The casinos pay a gaming revenue tax and collect an admissions fee. The gaming revenue tax represents 30 percent and admissions fees represent 70 percent of gaming revenues. These revenues are administered by the state and remitted to local municipalities monthly. The city receives 2 percent of gross gaming revenues and one dollar per person admitted to the boats. The city expects to receive \$11.6 million from this source during fiscal 1998. With ordinance 950505, the City Council directed all casino related revenues to deferred maintenance and capital improvement projects. This revenue stream has less than a three year history and is volatile. In recent years, there have been efforts to eliminate the admissions fee which would reduce this revenue significantly.

Expenditure Base

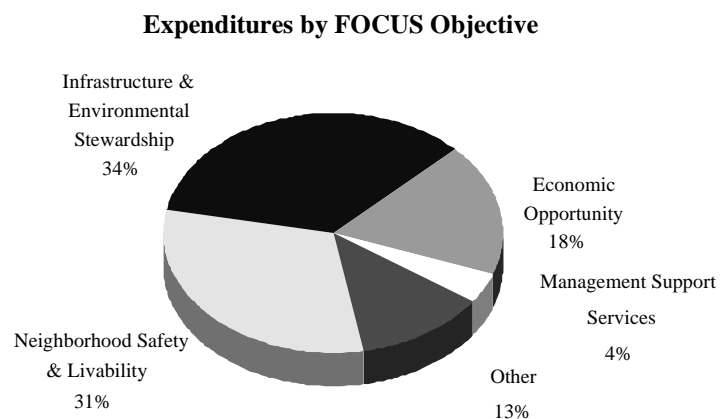
The revenues collected by the city are expended in various ways. City expenditures can be subdivided into categories based on their use. The following charts depict city expenditures by use and by objective.

Personal services expenditures represent 37 percent of the total budgeted expenditures for fiscal year 1998. Debt service and capital improvements represent 26 percent of the total with contractual services at 24 percent.

The next chart groups expenditures by FOCUS objectives. The objectives include: Neighborhood Safety and Livability, Infrastructure & Environmental Stewardship, Economic Opportunity, Management Support



Services plus an additional category entitled Other which includes debt service and contingent appropriation. Infrastructure and Environmental Stewardship represents the largest share of the expenditures by objective at 34 percent. Neighborhood Safety and Livability also captures a large share at 31 percent.



Financial Forecast

Using the current revenue base, the expenditure patterns of the city, and a forecast of economically sensitive variables it is possible to project revenues and expenditures for a given period of time. Since the 1980's, Kansas City has been preparing a financial forecasting model using econometric modeling. The latest forecast undertaken in the Fall of 1996 and presented to the City Council in the winter of 1997 has been viewed as a precursor to the budgeting process. The latest forecast indicated that unless revenues grow faster than expenditures a negative imbalance would occur for the next five years.

By state law, the City of Kansas City, Missouri must have a balanced budget. Previous forecasts have also projected structural imbalances which occur when recurring expenditures are greater than recurring revenues. The projected imbalances were rectified by increases in existing revenue streams such as the state motor fuel tax; the addition of new revenue streams such as the Medicaid incentive program and the local use tax; and by using one time revenues or sources such as: closing inactive funds, offering an early retirement incentive program or increased revenues due to a robust economy. Another historical method of correcting the imbalances was the use of one-time revenue streams to fund on-going expenditures.

The latest forecast projects a structural imbalance for the next five years. Funds included were general, east park, west park, community centers, zoo, motor fuel tax and convention and tourism. Results indicate average annual revenue growth of 2.9 percent and expenditure growth of 3.1 percent. For fiscal 1998, \$2.0 million of the imbalance is due to one-time expenditures; the remaining imbalance, \$5.9 million, carries forward to future years. The \$5.9 million represents a structural imbalance that is estimated to grow to \$10.4 million for fiscal 2002.

| | Forecast Imbalance General Fund and General Fund Supported Funds 1997-98 Adopted Budget (in millions) | | | | |
|---------------|--|----------------|----------------|-----------------|-----------------|
| | 1997-98 | 1998-99 | 1999-00 | 2000-01 | 2001-02 |
| Revenues | \$366.3 | \$376.9 | \$387.5 | \$398.4 | \$412.3 |
| Net Transfers | (17.0) | (18.5) | (20.5) | (22.1) | (24.2) |
| Expenditures | <u>(357.2)</u> | <u>(366.7)</u> | <u>(376.4)</u> | <u>(388.1)</u> | <u>(398.5)</u> |
| Imbalance | <u>\$(7.9)</u> | <u>\$(8.3)</u> | <u>\$(9.3)</u> | <u>\$(11.8)</u> | <u>\$(10.4)</u> |

Multi-year forecasting has been used to measure the impact of external economic and demographic factors on city operations and finances. The forecasts have helped to identify potential funding problems, illustrate historical patterns, focus on long range policy implications and assist in long term financial planning. It is anticipated that this barometer of the city's financial condition will continue to be used. As of this writing, the city council is considering legislation that will set a calendar for review of the city's financial condition in light of the annual budgeting process. The financial forecast remains one of the elements listed in this piece of legislation.

Debt Position

Debt position is another important element to consider in the overall mix of city finances. The prudent use of debt financing permits the opportunistic and timely construction of long-term capital improvement projects. From a long-range perspective, it is important to manage debt position within the context of the city's overall financial position in order to minimize borrowing costs and preserve access to credit markets.

The best way for a city to manage its debt position is to maintain and, if possible, improve its general obligation bond rating. Currently, Kansas City has an Aa3/AA rating as reported by Moody's Investors Service and Standard and Poor's Ratings Group. In order to make prudent investment decisions, market participants rely heavily on the credit evaluation information prepared by the rating agencies. The market's reliance on this information, in a very large sense, shapes the debt parameters for a community.

According to the Government Finance Group, "the rating agencies examine four general areas when evaluating overall credit quality including: debt position, financial position, economic condition and the strength of local management". Moody's Investors Service states, "that no one factor is considered to be the most important; however, one element may take on more importance than others because it represents a particular strength or vulnerability for the credit".

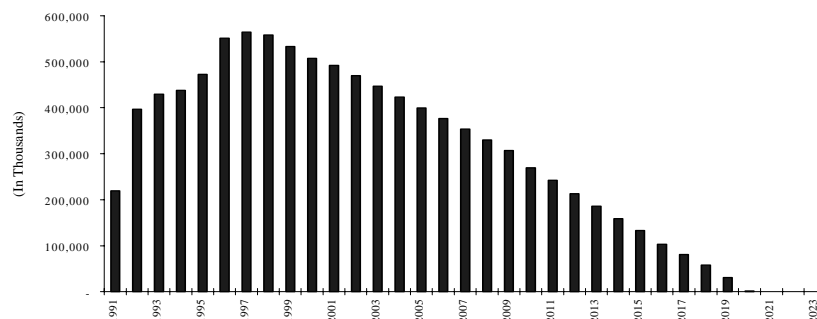
Kansas City's general obligation bond rating was reaffirmed by Moody's in January of 1997 as an Aa3. The report stated that the city managed its finances well, lived within its means due to conservative budgeting and had made positive additions to operating reserves. Also mentioned was the city's substantial and varied tax base. The city has experienced modest growth in taxes and a decline in unemployment.

Debt levels were cited as being significantly above comparable norms but were deemed manageable. However, due to the city's heavy reliance on lease-revenue debt which is ultimately secured by the general fund, "further issuance will be monitored to evaluate any potential effect on general fund performance".

The city's net direct debt outstanding is the amount of a community's tax supported debt exclusive of bonds supported by public enterprise operations. For Kansas City, this includes three primary categories of debt: general obligation, lease-revenue and limited obligation bonds. As of April 30, 1996, Kansas City had approximately \$550 million in net direct debt.

Of the net direct debt, approximately \$90 million was issued as general obligation debt while lease revenue bonds accounted for approximately \$360 million or nearly 65 percent of debt supported by general municipal revenues. Additionally, another \$90 million in limited obligation debt had been approved for projects supporting area hotels and other civic projects. The following graph depicts the city's current net direct debt outstanding (plus an additional \$110 million in general obligation bonds approved to purchase and improve the streetlight system) without the addition of any bonds currently under consideration.

Net Direct Debt Outstanding



Credit Industry Benchmarks

Credit rating agencies review the city's debt on both an overlapping and net direct basis. Overlapping debt includes all debt issued by jurisdictions (i.e., counties, school districts, junior college, etc.) who share the

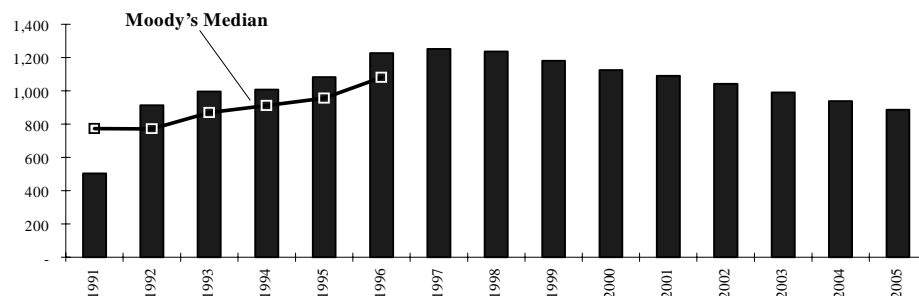
common tax base; net direct debt includes only the city's debt. The following credit industry benchmarks are often used in analyzing debt position:

- Net Direct Debt Per Capita
- Net Direct Debt as a Percent of Market Value
- Net Direct Debt Service as a Percentage of Operating Expenditures

The first two benchmarks are based on outstanding principal at year end and the third benchmark is based on annual debt service. Through close evaluation of these benchmarks the city can evaluate its debt position and set acceptable debt parameters to ensure the flexibility needed to meet the capital improvements needs of the community. As the numerators (debt) and denominators (other factor) for each of these ratios are subject to change over time, the graphs that follow project the city's credit benchmarks until the year 2005 without the addition of any bonds currently under consideration.

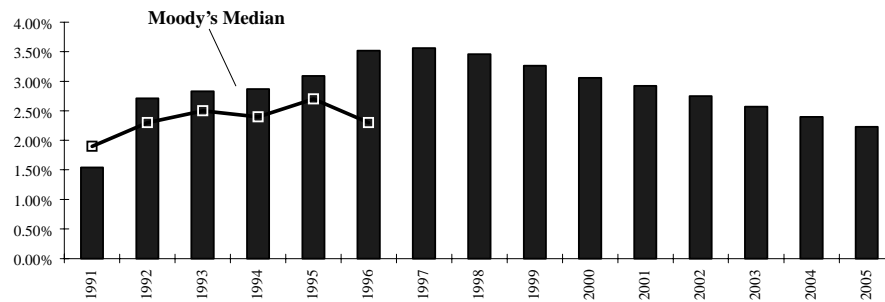
Net direct debt per capita measures a community's debt burden in relation to its population. The ratio is calculated by dividing net direct debt by population.

Net Direct Debt Per Capita



Net direct debt as a percent of market value measures the burden that all tax-supported debt places on a particular tax base. The ratio is calculated by dividing net direct debt by market value.

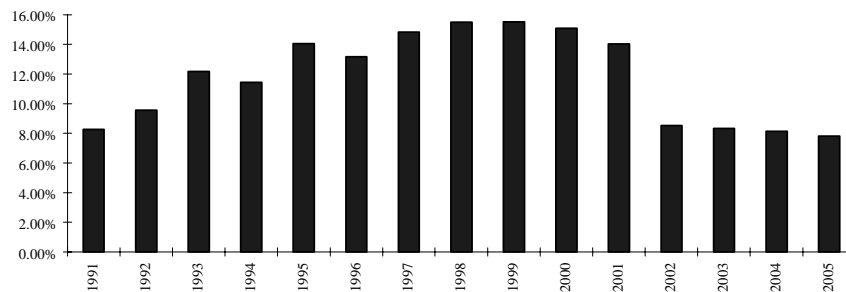
Net Direct Debt as a Percent of Market Value



Assumption: True Mkt. Value growth at 1.5%

Net direct debt service as a percentage of operating expenditures measures the burden that servicing a jurisdiction's debt places on the operating budget. The ratio is calculated by dividing annual net direct debt service by total expenditures. Moody's does not publish a median for this benchmark.

Net Direct Debt Service as a Percentage of Operating Expenditures



Assumption: Gen. Mun. Exp. growth at 3.0%

Current Debt Position

Societal factors and the need to accomplish major projects led Kansas City to its current debt position. During the 1980's, citizens in a number of jurisdictions voted in revenue caps to legislatively restrain tax increases—the most famous of which were Proposition 13 in California and Proposition 2 1/2 in Massachusetts. In Missouri, the Hancock Amendment serves largely the same purpose as it forces most tax and fee increases to a public vote.

While these caps may have reflected the mood of the country at the time, they make it very difficult for governments to both maintain high levels of service and provide for necessary capital improvements. Often a choice is made between funding long-term capital investment out of current revenues or providing essential services.

Additionally, credit rating agencies while recognizing the difficulties of managing financial resources within these constraints are very reserved in assigning premier ratings to governments within these jurisdictions. Further, financing infrastructure through increasing local taxes is consistently the least attractive alternative to public officials. Kansas City's proposals to raise taxes have been rejected by voters during the last decade.

In order to accomplish their communities' capital improvement objectives, public officials started to rely on lease financing to pay for large new projects and major rehabilitations of public facilities. This type of financing became very popular because it does not require a vote, as do general obligation bonds, and does not constitute a borrowing as defined by many state laws. It is, however, subject to an annual appropriation or lease payment which serves as the underlying credit. Ownership of the facility or property reverts at the end of the lease term or once the lease-revenue bonds are paid off.

Kansas City began its trend toward a reliance on lease financing by creating the Kansas City Municipal Assistance Corporation (KCMAC) in 1984. Internal Revenue Service Ruling 63-20 allowed the city to create this not-for-profit corporation for the purpose of issuing tax-exempt bonds for the lease purchase of equipment and facilities. Under the auspices of KCMAC, the city has issued bonds to improve Bartle Hall, Kemper Arena, Brush Creek, Truman Medical Center, Blue River, and many others.

Policy regarding the addition of new lease debt has largely been on a per project financing basis. If the revenue stream pledged to pay debt service is deemed adequate to ensure the annual appropriation, then often the financing is approved. Upon consideration of factors that are used to evaluate an entity's creditworthiness, the manner in which they interact and the weighting given to each, it may become increasingly important to consider each capital financing decision within the framework of the long-range financial plan. In support of this goal, city staff will perform a comprehensive analysis of the city's debt position on an annual basis and as a part of each community impact statement. Legal or moral obligations will be considered in the same manner as any other city debt issues.

A P P E N D I X B

A Perspective On Taxation

The billing and collection of taxes is a necessary function of government. Revenue derived from tax payments dictates the amount and/or composition of the services that a governmental entity may offer its community. From public safety to infrastructure, tax moneys pay the salaries, buy the supplies and equipment and meet the contractual needs of a city. As plans are being made regarding the long-range operating and capital needs of the community, a similar review process must be undertaken to ensure the sustainability and viability of the municipal tax system.

Every city in the country has its own unique blend of factors which make up its character including: infrastructure, education, crime rate, arts and humanities, cost of living, employment outlook, etc. A prospective new resident or chief executive officer must weigh all of these factors together when evaluating a city. Consideration of the tax system is part of the decision-making process as well.

Ideally the tax system is fair, equitable, easy to administer and accessible. Additionally, as the tax base changes, the system should be flexible and/or responsive enough to keep up with the service demands of the community. The long-term goal for the city's tax system is to maintain that dynamic tension necessary to ensure that taxes are set at the appropriate level and in accord with the needs of the community.

The section that follows details information on the city's current tax environment for both individuals and businesses. It focuses on the

concepts of tax burden (percent of income dedicated to taxes) and tax distribution to provide insight into the city's tax position relative to its peers on a regional basis. Additionally, a discussion on the Mayor's Task Force on Occupational License Review is included to provide insight into reform efforts of one of the city's more onerous taxes.

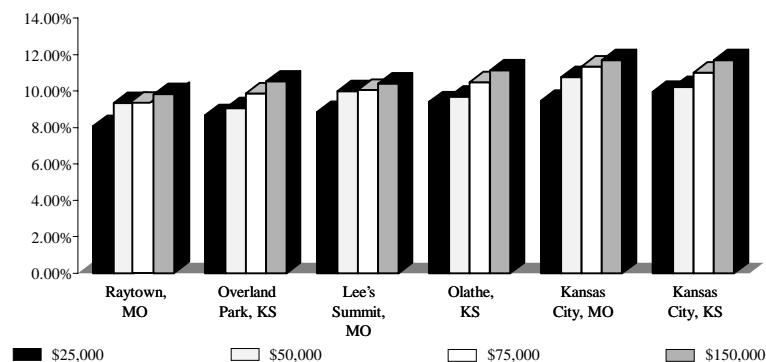
Tax Burden

Tax burden includes the taxes that an individual or business pays to the city, other local taxing districts and the state. For purposes of the studies, federal taxes are excluded as they are the same in all jurisdictions. The following section contrasts the City's tax burden to five other municipalities in the metropolitan area, compares three school districts and examines the jurisdictional tax components of the city. A comparison of Kansas City to regional cities may be found in the Individual Tax Burden Study and the Business Tax Burden Study.

Individual Tax Burden

The individual overall tax burden study includes income and earnings taxes, sales taxes, motor fuel tax and property taxes. Locally, Kansas City's tax burden for individuals at all income levels is the second highest in the comparison group. When all income levels are taken into account, Raytown has the lowest effective rates ranging from 8.08 percent to 9.83 percent and Kansas City, Missouri has the second highest ranging from 9.62 percent to 11.25 percent. The most significant factor affecting Kansas City's ranking is the earnings tax. Kansas City is the only local city with an earnings tax which is levied on all residents and non-residents who live and work within the corporate city limits. It is estimated that 45 percent of the tax is paid by non-residents.

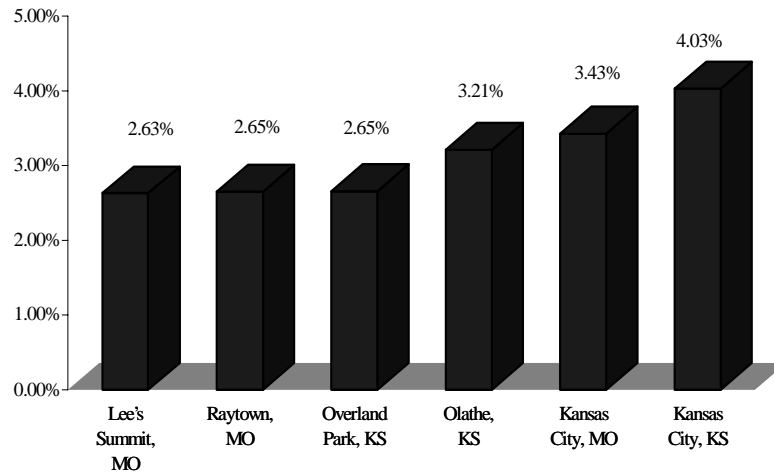
Individual Tax Burden



Business Tax Burden

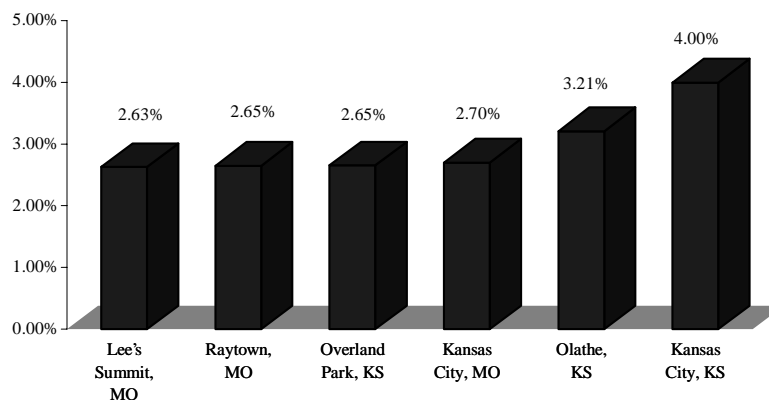
The business tax study includes income and profits taxes, business license fees and property taxes. Business tax burden is measured based on the type of firm, and businesses have been grouped in two large categories: manufacturing / retail firms and professional firms.

Manufacturing/Retail Firms



When the overall tax burden of manufacturing / retail firms in Kansas City is compared with that of other municipalities, Kansas City has the second highest tax burden. Professional firms would have the third highest tax burden. The primary difference is that there is no business license fee for professional firms.

Professional Firms



Individual Tax Distribution by Jurisdiction

Although the overall tax burden for Kansas City, Missouri residents is not low when compared to other cities, a critical question is how much of that tax burden does municipal government control. Tax distribution by jurisdiction for the four income levels indicates that the City of Kansas City represents from 17 percent to 22 percent of the overall tax burden. It also indicates that as income increases the percent of the burden related to Kansas City decreases.

Individual Tax Burden by Jurisdiction Percent of Burden Based on Income Levels

| Jurisdiction | \$25,000 | \$50,000 | \$75,000 | \$150,000 |
|--|-------------------|-------------------|-------------------|-------------------|
| State Of Missouri | 46% | 56% | 57% | 61% |
| City Of Kansas City, Missouri | 22% | 19% | 18% | 17% |
| <i>Kansas City Missouri School District</i> | <i>23%</i> | <i>18%</i> | <i>18%</i> | <i>16%</i> |
| <i>Jackson County</i> | <i>6%</i> | <i>5%</i> | <i>5%</i> | <i>4%</i> |
| <i>Transit Authority</i> | <i>3%</i> | <i>2%</i> | <i>2%</i> | <i>2%</i> |
| <i>Total</i> | <i>100%</i> | <i>100%</i> | <i>100%</i> | <i>100%</i> |

Business Tax Distribution by Jurisdiction

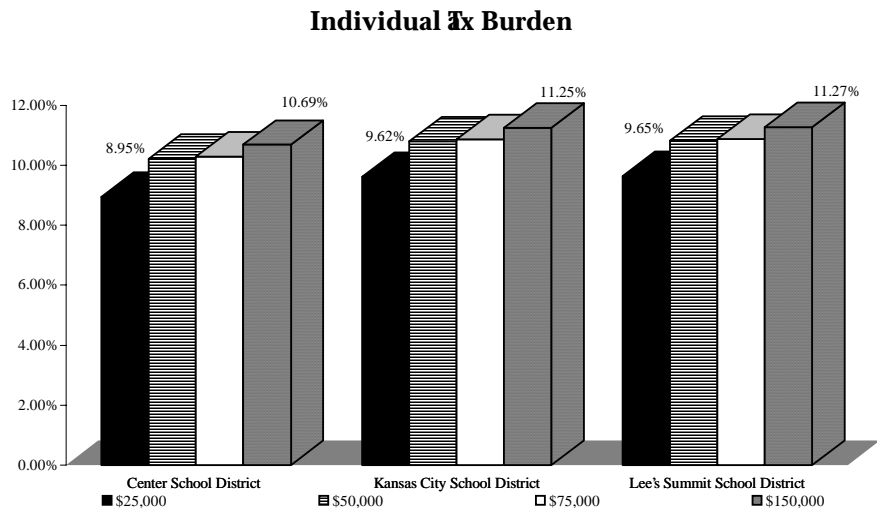
Tax distribution for businesses indicates that professional firms pay 19 percent of their total taxes to the City while manufacturing / retail firms pay 37 percent. Although the percentage differs based on the type of firm, changes to the tax structure within Kansas City would have to be substantial in order to change the overall tax burden when compared to other municipalities in the metropolitan area.

Business Tax Burden by Jurisdiction

| Jurisdiction | Mfg. / Retail Firms | Professional Firms |
|---|---------------------|--------------------|
| State Of Missouri | 17% | 22% |
| <i>City Of Kansas City, Missouri</i> | <i>37%</i> | <i>19%</i> |
| Kansas City Missouri School District | 38% | 48% |
| Jackson County | 8% | 11% |
| Total | 100% | 100% |

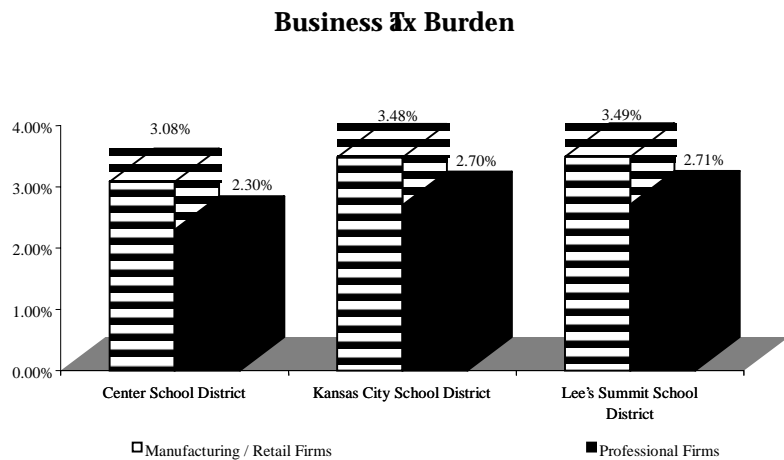
Individual Tax Distribution by School District

Even within the city limits, tax burden varies across the 13 school districts. In order to provide additional insight, a comparison follows of the school districts with the lowest and highest levies to that of the Kansas City, Missouri school district.



Business Tax Distribution by School District

Using the same methodology, it can be seen that the manufacturing / retail firms would be taxed higher than the professional firms because of the business license fees and the taxes would differ based on the school district as well.



In summary, tax burden is a complex concept. Based on the local cities included in the study, Kansas City has a high tax burden for individuals as well as businesses. Because of the flat rate structure, local taxes tend to be regressive in nature. Small reductions in the city's share in the overall tax burden will not significantly change Kansas City's ranking with local municipalities because Kansas City does not represent a majority of the taxes paid by individuals or businesses. In spite of these complexities, changes to the taxing structure should be considered as plans are made to sustain the viability and enhance the quality of life in the City. These plans must be made with consideration given to the acceptance of taxes by the voters, tax distribution and equity, elasticity and also the ease of local administration.

Mayor's Task Force on Occupational License Review

A review of the occupational license by representatives of nine Kansas City businesses from June to August of 1996 took into consideration some of the concerns that were previously mentioned in reviewing the city's occupational license system. This group of business representatives were charged with the task of developing a proposal to either simplify or replace the city's occupational license.

Among the findings of the task force were that the current system was inconsistent, inequitable, inefficient, and expensive to administer. Further, it is based on ordinances which have been in effect since the 1950s and does not take into account changes in the business environment in the last 40 years. As a result, many businesses started since then are not required to obtain licenses.

The task force considered five alternatives to the current system. The first alternative was to broaden the scope of the current occupational license ordinance by adding those businesses not named in the charter which are currently not subject to the tax. A statute enacted by the Missouri legislature now makes that possible. The second alternative was to revise the ordinance so that all businesses subject to it would pay on the basis of gross receipts. Currently, approximately 85 percent do so with the rest paying flat or fixed fees which are generally lower than fees based on gross receipts. The third alternative was to replace the occupational license with a tax based on a percentage of gross payroll. The fourth alternative was to eliminate the occupational license and to replace it with a higher profits tax rate. The fifth alternative was a head tax which would replace the occupational license. With this alternative, businesses would pay a flat rate per employee.

The task force was provided with information from 21 other cities, both in the region and outside but of comparable size, as to the taxes and licenses imposed by those jurisdictions. After reviewing and discussing these options, the task force recommended that:

1. The occupational license system be eliminated;
2. The profits tax rate for companies doing business in Kansas City, Missouri be increased to no more than 1.3 percent (currently 1.0 percent) in order to make up the revenue lost by the elimination of the occupational license system, with a minimum profits tax of \$250 annually imposed for each business; and
3. The administrative savings from the elimination of the occupational license system be targeted toward the support and collection of the profits tax.

The task force pointed out the following benefits for the business community to be derived from their recommendation:

1. An inequitable tax which is difficult to administer would be eliminated;
2. There would be a minimal increase in the most equitable business tax;
3. Every business would be subject to a minimum tax; and
4. Tax revenue would be maintained but not increased.

The recommendations of the task force have not been pursued by the City. The utility taxes are part of the occupational license chapter of city ordinances and, because of the questions being raised about deregulation of utilities, the city is pursuing options and opportunities to offset any reduction in revenues. As this is new territory, the city is working with other local governments and at the national level to develop strategic approaches

When the utility taxes are excluded, the occupational license as viewed by the committee represents approximately two percent of general municipal fund revenues. To understand fully the revenues generated in order to support city services, this report includes a brief synopsis of the city's current financial condition.

APPENDIX C

Best Practices

In recent years, several cities across the United States have implemented measures similar to those recommended by FOCUS. The Governance Work Team studied best practices in other cities and incorporated successful concepts into the Governance Plan. This section highlights successful initiatives in other cities, such as Indianapolis, Indiana; Phoenix, Arizona; Scottsdale, Arizona; and Charlotte, North Carolina to provide insight to the implementation of FOCUS recommendations.

Indianapolis, Indiana

Neighborhood Empowerment Initiative

The City of Indianapolis initiated several programs to enhance its neighborhoods. Several of these strategies are described below.

- Monthly neighborhood forums were started to give residents and opportunity to meet the Mayor and other members of the administration to discuss issues, express their opinions about City services candidly, and formulate ideas about ways to improve their communities.
- Township administrators and coordinators were identified to provide geo-based services and act as conduits between the City and the neighborhoods.
- Neighborhoods were required to compete for funding. Neighbor-

hoods were forced to create more active neighborhood organizations and the City administration involved neighborhoods in planning programs under the Building Better Neighborhoods program.

- The City used the Adopt-A-Median program as a way of encouraging neighborhoods to work together. The program fostered teamwork among groups and it saved the City thousands of dollars in maintenance costs.

Review of Regulatory Commissions

In July 1992, the City of Indianapolis created the Regulatory Study Commission (RSC) to review proposed and existing regulations of the City. Since its inception, the RSC is estimated to have saved the City and businesses between \$20 million and \$50 million. The commission follows the principle that regulations should be used as a tool to achieve a policy objective only as a last resort. The following common sense guidelines are used as general tools to assess the usefulness of a regulation:

- The cost of a regulation should be no greater than the benefit it creates for the community.
- Regulations must be simple, fair, and enforceable.
- Regulations must be written to ensure the disposition of the minimum possible constraints upon businesses and individuals.
- Regulations must never exceed existing federal or state standards unless there is an overwhelming, compelling, and uniquely local reason.

Core Services Analysis of City Services

To determine whether competition is desirable, the City administration performs what is called "core service" analysis. Services, such as fire protection, that relate to the government's core mission are distinguished from those that are ancillary to the government's central policy concerns, such as microfilming. Competition is considered more desirable when it is not part of the City government's core mission.

The "Core Service" analysis allows the City to focus on tasks that government does well and gets the City out of businesses that are performed better by the private sector.

Economic Development Initiatives: Brownfield Developments

The City's economic development initiatives have concentrated on reducing the structural impediments of government, providing basic services more efficiently, and holding the line on taxes. One component of the City's massive infrastructure rebuilding program involved the development of brownfields, which are undeveloped areas quarantined because of suspected environmental contamination. Brownfields are unsightly and many were located in neighborhoods and had become havens for crime.

The City purchased several brownfield areas and provided tax abatements and other incentives to companies that were willing to cleanup and develop the property. The Environmental Protection Agency gave the City a \$200,000 grant to redevelop brownfields and return them to productive use.

Other economic initiatives include: the development of programs that assist small businesses with relocation to Indianapolis, the creation of the Small Business Ombudsman Office, and a variety of minority and women business initiatives.

Scottsdale, Arizona - City Shape 2020

Neighborhood Enhancement Strategies

Scottsdale's residential and commercial neighborhoods are a major defining element of the community. The City had developed a guiding concept that emphasizes the importance of individual neighborhoods in determining the quality of life for Scottsdale residents. To ensure that a high quality of life is maintained through the year 2020, the City adopted the following strategies:

- Scottsdale will integrate public safety into the design of neighborhoods.
- The City will enhance the attractiveness of neighborhoods by integrating them with and linking them to public amenities such as greenbelts, open spaces, parks, and Downtown.
- The City addressed neighborhood edges, especially those adjacent to major streets and areas of commercial development.
- The City encourages the blending of new and existing housing.
- The City designated historic neighborhoods to reinforce City character and enhance property values.

- Scottsdale identified mature neighborhoods that may benefit from revitalization and/or redevelopment and is pursuing reinvestment through public projects, along with private and individual initiatives.

Economic Development Strategies

The strength of Scottsdale's economy has enabled the City to provide a high level of service to its residents at a relatively low cost through tourism and sales tax subsidies. In order to maintain its economic advantage, the City adopted a balanced economic development program. Some of the strategies that were included as part of the City's economic development program included the following:

- The City plans to enhance the local tourism industry by providing for a comprehensive tourism development strategy.
- Scottsdale will continue to form community and regional partnerships as the best means of dealing with critical issues and emerging opportunities.
- The City will encourage a variety of housing types and densities in new development if they foster neighborhood identity.
- The City will ensure that any new areas being considered for annexation or development support not only the economic goals of the City but also the priorities of the community.
- The City will support advanced uses of technology that support telecommuting and alternative transportation modes.

Preservation Strategies

Scottsdale is committed to the effective management of the City's finite and renewable environmental, economic, social, and technological resources. In order to maintain or improve current levels of service, environmental quality, economic vitality, and access to amenities that contribute to the City's quality of life, Scottsdale adopted the following strategies.

- The City will plan and promote the orderly building of infrastructure.
- Scottsdale will encourage development patterns where land uses and locations are compatible and supportive of alternative transportation modes such as bicycle systems and pedestrian ways.

- The City will promote partnerships to accommodate the efficient use of resources, land and services.
- The City has identified future needs and will secure land for future public facilities, such as libraries, water treatment plants, parks, street right-of-ways, and public safety services.
- The City is encouraging mixed used developments that allow people to live, work, and play in the same general area.

Phoenix: Organizational Improvement

Citizen Surveys

The City of Phoenix surveys citizen satisfaction every two years. An outside professional constructs, implements, and analyzes the survey, which covers a broad range of services and issues. Results of the surveys are then used to track the City's responsiveness to dissatisfaction over time. The City also provides "How Are We Doing" cards at all public service counters. Departments track responses to identify strengths and weaknesses in front-line delivery services.

Increased Communication

The City of Phoenix initiated a newsletter called Champions in 1990. Champions fosters an interactive process in the form of surveys, letters from the City staff, and "how to" examples. Champions is distributed six times a year. A focus group then meets after each issue of Champions is published to discuss strong and weak points of the issue.

Other initiatives in Phoenix include:

- Development and distribution of videos about the City
- Large scale employee events to increase esprit de corps among City workers, last year more than 5,000 attended the City's Vision and Values celebration at the Civic Plaza
- The city conducts management forums every four to six weeks among city employees. The forums are voluntary, informal, citywide gatherings of employees who are employed in management or interested in management positions. A typical forum is held in the afternoon and is attended by 40-60 employees who get an opportunity to discuss issues across departmental lines while communicating face-to-face with the City manager.

- The Quality Board was established in 1993. It consists of front-line supervisors, management, executives, and administrative personnel with diverse backgrounds. The Board's mission is to advise the City manager about organization learning, change, and areas for improvement. The Board monitors pilot tests, results indicators, and other organizational improvement strategies.

Employee Involvement

The City of Phoenix measures how well the City's Visions and Values are being adopted by City employees through an employee survey that is regularly sent to 500 of the City's employees. It asks employees if they are aware of the City's Vision and Values and how strongly they agree or disagree with various initiatives the City has undertaken.

The City also implemented a new streamlined performance evaluation system and initiated various quality process improvement teams throughout the organization.

City Of Charlotte, North Carolina

Guidelines for Services Contracting

In 1994, the City of Charlotte, North Carolina significantly altered the way the City provides services to the City's residents. Goals and highlights of the City's guidelines for Services Contracting included the following:

- Services currently provided by the City or by private service providers are reviewed on an on-going basis to ensure that service providers are held accountable and that services are delivered to citizens in an efficient manner.
- The City Council systematically reviews City services to determine the appropriate level of service to be provided and whether or not the service should be provided by the City or private forces.
- The City Council assesses the relationship of a service being provided by the City and those being considered for competition from private sources in the context of other City priorities and policies through specific procedures established by the city.
- The City adopted "Employee Impact Statements" as routine process for evaluating the impact that changes in the way the City delivers services to Citizens will effect City employees.

- The City adopted a cost elimination plan based on a set of fixed, variable and semi-variable costs. The plan is designed to eliminate avoidable costs related to a service contract during the first annual budget period of the contract.

Guidelines for Asset Management

The City of Charlotte, North Carolina also developed guidelines for asset management. Goals and highlights of the City's guidelines for Asset Management include the following:

- The City evaluates various levels of asset privatization for all new capital projects as it plans, builds, or acquires additional public facilities and assets.
- The City improved management of existing assets by selling/ donating non-buildable land, packaging and marketing existing property for sale, determining the current or future "public purpose" of the City's existing property, and reviewing alternative ownership and property management options.
- The City Council uses the benefits of any sale of assets to support established City policies and goals.

A P P E N D I X D

FOCUS City Funding Sources And Initiatives Matrix

This appendix provides information on the city's current financial condition, including the structural imbalance, potential changes in tax rates and tax base, and operational issues. Additionally, options to enhance existing tax revenues and/or tax and revenue alternatives are explored.

Included as well is a FOCUS Initiatives Matrix that lists the initiatives and actions of the other six FOCUS plans for which the City has responsibility. This matrix identifies the FOCUS component plan that the initiative came from, whether it is an operating or capital cost, what type of initiative it is, and if it should be initiated before the year 2000 or 2005.

Items for Consideration

Structural Imbalance

A structural imbalance refers to a financial condition resulting from the inability to cover the cost of recurring expenses with a recurring revenue stream. As previously stated, the latest forecast indicates that a structural imbalance exists. If not eliminated, the structural imbalance, by its nature, will grow over time. Therefore, the financial plan assumes that actions shall be undertaken to eliminate the structural imbalance.

These actions do not preclude expenditures for the city being greater than the recurring revenues generated within a given year. The use of one-time revenues may be used to cover the cost of one-time expenditures. For example the city may use a one-time revenue to cover one-time capital improvement or equipment expenditure. Another example would be debt financing where expenditures may exceed or may be less than recurring revenues generated in a given year.

Changes in Tax Rates and Tax Base

Kansas City has undergone many changes in its tax base and tax rates. There are two major events that shall affect the city's existing revenue stream within the next 25 years. The first is the expiration of two of the one-half cent sales taxes on December 31, 2000. This may result in a one percent reduction in the sales and local use tax rates. The rate for local use tax is based on the sales tax rate. The city has financed capital projects using the sales and the use taxes. Based on the initiatives included in the six plans it is assumed that renewal of the sales taxes will be undertaken and the local use tax would not be affected. The potential revenue loss is \$69 million based on current collections.

The other major event is the deregulation of the electrical utility industry. As of this writing, federal legislation allows for the purchase of electricity from the lowest-priced source at the wholesale level. The same capability is anticipated at the retail level. As a result, large end-users of electricity will have the option to purchase power supplies from companies outside of the jurisdictional boundaries of Kansas City. Those purchases, when made from a non local-supplier, would not be subject to the city's franchise fee. However, any strategic planning should take into consideration a possible change in the utility tax base. In the end, the competitiveness of the local companies in selling services to a broader range of clients beyond Kansas City's boundaries will be a strong determining factor.

Operational Issues

FOCUS aims at the vitality and health of Kansas City as a city of the future. As part of that vitality and health the state of the infrastructure is of major importance and is a recurring theme in the initiatives and actions that are defined. In defining the types of costs involved in undertaking the plan most of the operating costs are defined as those that could be done with existing resources (See Appendix). However, certain initiatives may result in increases in costs that will have to be recognized. Most notably are development strategies that have an effect on police, fire, and environmental services.

Enhancing Existing Tax Revenues

Property Taxes

General Purpose Levy

The general purpose levy could be increased by \$0.10 per \$100, raising approximately \$4.2 million in additional revenue. This would be a positive revenue enhancement in that the tax would fall evenly across all income groups. The Law Department is reviewing whether this can be undertaken by ordinance or whether a vote of the people would be required.

Two-Rate Tax

Another property tax enhancement option is to double the tax on land (exclusive of improvements) to spur in-fill development. This option would require changes in several state laws and a vote of the people. As the current combined property tax levy is \$1.39 per \$100 of assessed valuation the new rate on land would be \$2.78. At the current assessed valuation, the increase in revenue to the city would equal approximately \$10.2 million.

Sales Tax

In addition to the seeking renewal of the two existing capital improvement one half cent sales taxes the city has the ability, if voter approval is gained, to levy an additional one-half cent for capital improvement purposes (RSMo 94.577).

RSMo 644.032, allows for a one-half cent sales tax, subject to voter approval, for the purpose of storm water control or local parks or both. One quarter cent would be dedicated to storm water control and the other quarter cent would be dedicated to park purposes.

RSMo 94.600-94.655, allows for a one-half cent sales tax, subject to voter approval, for transportation purposes including streets, roads, bridges, public mass transportation, airports, etc..

Each one-half cent would generate approximately \$28.8 million in additional revenue.

The sales tax, though falling disproportionately on the poor, is considered an acceptable tax by most people because it is paid in small increments over time. A sales tax increase would be a positive revenue enhancement for the city because it is economically sensitive, state administered and exportable.

Use Tax

Any enhancements in the overall sales tax rate would proportionately affect use tax revenues. A one-half percent increase in the use tax would generate approximately \$3 million annually.

Earnings and Net Profits Tax

The earnings tax is currently levied at its maximum level. To increase the earnings tax, enabling legislation from the state would be required and voter approval would have to be given. Gaining state enabling legislation and voter approval may be difficult because the tax is resented by both residents and non-residents. Though increasing this tax would require greater efforts by the city than other revenue sources, the financial gains would make this a worthwhile endeavor. An increase of one-half percent on earnings would raise approximately \$60 million in additional revenue with almost half of the tax burden being exported to non-residents. In addition, the earnings tax is economically sensitive and easily administered.

The net profits tax is that part of the earnings and profits tax that applies to businesses. Like the earnings tax, an increase in this tax would require both state enabling legislation and voter approval. Though difficult, increasing this tax would be beneficial to the city. A one percent increase would produce approximately \$18 million in additional revenue. In addition, the tax applies to businesses only and is economically sensitive.

Utility Tax

An across the board one percent increase in the electric power, natural gas and telephone utility tax rates would generate approximately \$6.4 million annually in additional revenues.

Convention and Tourism Tax

A one percent increase in the restaurant tax rate would generate approxi-

mately \$6.2 million in additional revenues and a 1.5 percent increase in the hotel/motel tax would generate approximately \$2.7 million in additional revenues. While the hotel/motel tax is almost totally exportable, much of the restaurant tax is paid by residents of the city.

Increasing the convention and tourism taxes would require state authorization as the current rate is the maximum allowed under state statute. The voters of Kansas City, Missouri would also have to approve any increase in these taxes.

Occupational License

Presently, the city's occupational license is a mixture of different rates and schedules based upon gross receipts and flat fees. Establishing one or a very limited number of gross receipt tables by broad business categories would make the license simpler to administer, would create equity between like business types and would raise approximately \$3 to \$4 million in additional revenue. Voter approval would be the only requirement to institute these changes.

State Motor Fuel Tax

The currently imposed a tax of \$0.17 per gallon will return to the 1992 rate of \$0.11 per gallon beginning April 1, 2008. It may be impractical at this juncture to recommend an increase at the state level; however, a local option is covered in the Tax and Revenue Alternatives Section that follows.

Trafficway Maintenance Special Assessment

The trafficway maintenance special assessment is established in the city charter to provide funds for repairs and maintenance of the city's trafficways. As stated in the Current Financial Condition section, the present levy rate is \$0.25 per \$100 assessed valuation on land value only. This special assessment is expected to raise \$1.85 million during fiscal 1998. The city council can increase the rate on this source to any amount it deems necessary with voter approval. Doubling the current levy rate to \$0.50 per \$100 assessed valuation increase would provide \$1.85 million in additional revenue for trafficway maintenance.

Park Maintenance Special Assessment

The park maintenance special assessment is established in the city charter to provide funds to maintain, adorn, construct or repair the city's parks, parkways and boulevards. As stated in the Current Financial Condition section, the present levy rate is \$0.50 per \$100 assessed valuation on land value only. This special assessment is expected to raise \$3.7 million during fiscal 1998. By vote of the people the rate can be increased for the

above stated purposes. Doubling the current levy rate to \$1.00 per \$100 assessed valuation would provide \$3.7 million in additional revenue for park maintenance.

Motor Vehicle License Fee

Kansas City requires that all residents of the city pay a motor vehicle license fee of \$12.50 per vehicle per year. The fees are available for use by the park department for parkway, boulevard or facilities uses. The license fees are billed annually by the counties as part of the personal property tax bills. The city is expected to collect approximately \$3.7 million from this source during fiscal 1998. By vote of the people the rate can be increased for the above stated purposes; doubling this source would provide an additional \$3.7 million in additional revenue.

User Fees

Polices could be established to determine the extent to which fee supported services should be subsidized. When practical the service would be fully supported by a fee. Circumstances that lead to the exception of the policy would be identified. If this approach is undertaken, the revenue would be earmarked for the delivery of the service it supports and would be increased or decreased based on the continuing cost of the service. Funds from this source would not be available to support other general operating programs. In those cases where a new fee should be assessed voter approval would be required.

| OPTIONS FOR TAX REVENUES FROM EXISTING SOURCES | | | | | | | | | |
|--|-----------------------------|--------------|--------------------|--------------|------------------------------------|------------------------|----------------------------|--------------------------------|-----------|
| TAX/FEE TYPE | TAXPAYER POPULATION | RATES | | | Change in Current Rate Requires | | Adopted Budget FY 98 | Additional Revenue FY 98 | |
| | | CURRENT | CURRENT MAXIMUM | PROPOSED | State Legislative Authorization | KCMO Voter Approval | | | |
| Property Tax: | | | | | | | | | |
| General Purpose Levy | Individuals & Businesses | \$.70/\$100 | \$1.00/\$100 | \$.80/\$100 | X | | 29,452,280 | 4,207,460 | |
| Two Rate | Individuals & Businesses | \$1.39/\$100 | | \$2.78/\$100 | X | X | | 10,200,000 | |
| Sales Tax | Individuals | 1.5% | 3.0% | 2.0% | | X | 86,424,000 | 28,808,000 | |
| | | | | 2.5% | | X | | 57,616,000 | |
| | | | | 3.0% | | X | | 86,424,000 | |
| Use Tax | Individuals | 1.50% | 2.0% | 2.0% | | X | None | 3,000,000 | |
| | | | | 2.50% | | X | | 6,000,000 | |
| | | | | 3.00% | | X | | 9,000,000 | |
| Earnings and Profits Tax | Individuals | 1.0% | 1.0% | 1.25% | X | X | 118,900,000 | 29,725,000 | |
| | | | | 1.50% | X | X | | 59,450,000 | |
| | | | | 1.75% | X | X | | 89,175,000 | |
| | | | | 2.00% | X | X | | 118,900,000 | |
| | Businesses | 1% | 1% | 1.25% | X | X | 18,000,000 | 4,500,000 | |
| | | | | 1.50% | X | X | | 9,000,000 | |
| | | | | 1.75% | X | X | | 13,500,000 | |
| | | | | 2.00% | X | X | | 18,000,000 | |
| | Utility Tax - Power | Residential | 9.0% | 9.0% | 10.0% | | X | 38,200,000 | 1,226,984 |
| | | Commercial | 10.0% | 10.0% | 11.0% | | X | | 2,704,560 |
| | Utility Tax - Gas | Residential | 9.0% | 9.0% | 10.0% | | X | 12,152,000 | 828,766 |
| | | Commercial | 10.0% | 10.0% | 11.0% | | X | | 461,776 |
| Utility Tax - Telecomm | Residential | 9.0% | 9.0% | 10.0% | | X | 11,400,000 | 550,506 | |
| | Commercial | 10.0% | 10.0% | 11.0% | | X | | 639,540 | |
| Utility Tax - Cable | Businesses | 5.0% | 5.0% | 6.0% | | X | 2,266,000 | 453,200 | |
| Utility Tax - Steam | Businesses | 4.0% | 4.0% | 5.0% | | X | 200,000 | 50,000 | |
| Convention & Tourism Tax - Hotel/Motel | Individuals | 5.5% | 5.50% | 7.00% | X | X | 10,200,000 | 2,754,000 | |
| | | | | 8.50% | X | X | | 5,610,000 | |
| | | | | 10.00% | X | X | | 8,364,000 | |
| Convention & Tourism Tax - Restaurant | Individuals | 1.75% | 1.75% | 2.75% | X | X | 10,918,000 | 6,223,260 | |
| | | | | 3.75% | X | X | | 12,446,520 | |
| | | | | 4.75% | X | X | | 18,669,780 | |
| Occupational License (85% of accounts are taxed on gross receipts) | Businesses | .09% | .09% | .125 % | | X | 14,000,000 | 5,460,000 | |
| | | | | .15% | | X | | 9,380,000 | |
| | | | | .175% | | X | | 13,160,000 | |
| | | | | .20% | | X | | 17,080,000 | |

Tax and Revenue Alternatives

As options to help fund FOCUS initiatives, several potential new tax and revenue sources are examined in this section. A number of these options are presented in summary format from a previous report entitled Long Range Outlook — 1991, as prepared by the Budget and Systems Division of the City Manager's Office. Many of the "new" options available then are still viable. All of the options add to either an individual's or business' tax burden and must be considered in that context.

City Motor Fuel Tax

Article IV, Section 30a of the Missouri Constitution enables incorporated cities to levy an additional tax on all motor fuel purchased within the city limits for purposes of propelling highway motor vehicles if a two-thirds majority of voters approve. The proceeds from this tax must be used solely for construction, reconstruction, repair, maintenance, policing, signing, lighting, or cleaning of roads and streets. Two positive features to this tax are that it would be state administered and exportable. A potential negative is that it may fall disproportionately burdensome.

Front Foot Tax on Trafficways

Section 356 of the City Charter authorizes imposition of a frontage tax on property on or abutting trafficways. The city is not currently imposing this tax for trafficways but has a frontage tax on property on or abutting boulevards and parkways. Voter approval would be necessary before this tax could be imposed. Use of the revenue generated from this source would be limited to maintenance, repair, signage, cleaning and policing of trafficways.

Taxation of Fiber Optics

The city may seek to impose taxes on the growing fiber optics industry. One method would be to charge a fee to a fiber optic company based upon the number of feet of fiber optic line in the public right of way. Another method used for taxing fiber optics would be to impose a tax on gross receipts of a company. The administration of this method is quite difficult in that many companies do not separate their receipts by type thus an audit must be conducted. Taxation based upon gross receipts is being challenged by companies on the basis that the company is a utility and thus exempt from this form of taxation.

Amusement or Entertainment Tax

An amusement or entertainment tax is a tax on all manner and forms of entertainment, including but not limited to: concerts, carnivals, circuses, amusement parks, movies, and athletic events, where a monetary charge is made for services other than tangible property or specific personal

professional services. The benefits to Kansas City of this tax are that it would fall mostly on the upper income groups who can afford to attend concerts, athletic events, amusement parks, etc. and would be exportable to non-residents.

Voter approval would have to be gained before imposition of this tax could occur. An additional concern is that the current lease agreements for both the Royals and Chiefs do not allow an additional surcharge on tickets. And finally, the city already levies a user fee on all tickets at its convention and entertainment center facilities.

Sale of Public Assets

In order to provide a one-time capital infusion, some municipalities consider the sale of public assets (i.e., business operations, buildings, land, equipment, etc.). For Kansas City, the selling of the airports or the water and sewer services would generate money on a one time basis but would mean the loss of the regular annual profits these facilities now produce. All gains would be net of outstanding debt obligations.

Additionally, the sale or factoring of delinquent tax liens is another strategy employed by cities in need of quick capital. State legislation may need to be changed for the city to sell its delinquent property tax bills rather than settling up through lien sales or other legal means.

Payroll Tax

A payroll tax is a tax on businesses based upon their annual gross payroll. St. Louis currently has a payroll tax in addition to its earnings and net profits tax. It is resented by businesses but no more so than the net profits tax and is a viable alternative to raising that tax. A payroll tax would fall heaviest on labor intensive businesses such as those in the service industry. On the positive side, a payroll tax would be economically sensitive, fair and easily administered.

Head Tax

A head tax is a flat rate per employee, such as \$25, which each business would pay based on the number of employees. A \$25 per employee head tax would generate approximately \$11.9 million in fiscal year 1998. This is an uncommon tax today and would be particularly unpopular with labor intensive businesses. Its growth would be dependent on the expansion of the number of jobs.

Federal and State

The city has a number of methods to enhance its operational and capital outlook through participation in and/or lobbying for increased federal and state aid.

Grants

The city currently applies for and receives federal and state grants for uses ranging from health programs to capital improvements. As a strategy, the city should seek, apply for, and effectively administer its grant programs.

Low interest loan pools

As an alternative to grants, many state and federal agencies are now offering the opportunity to participate in low-interest loan programs. The city should seek opportunities to participate in these programs when proven to be cost effective.

Revenue sharing

Many states, foreseeing the negative impact that the loss of federal revenue sharing would have on municipalities, instituted for the first time or increased state revenue sharing programs in the 1980's. While all but three states in the union have some form of revenue sharing the amount and the sources vary widely. The city may wish to seek legislation to garner a larger share of state funds.

Community Improvement Districts (Chapter 67, RSMo)

The Community Improvement District Act authorizes creation of a special benefit district to allow private parties to assess and tax themselves for community improvements and services. A petition to create a community improvements district (CID) must be approved by the governing body of a city and must specify the size, area, and duration of the district, the maximum rate of taxes which may be imposed, and the method and maximum rate of assessment.

The CID may issue revenue bonds to pay for any authorized purpose, payable out of any or all revenues. Revenue sources to pay for improvements may be authorized by petition or vote of qualified voters. Potential revenue sources include: property taxes, special assessments and business licenses.

Special Business Districts (Chapter 71, RSMo)

Cities are allowed to form special business districts (SBDs) upon petition of at least one property owner. A business district must be formed by ordinance of the city in order to establish the district and define its limits.

Prior to the establishment of a business district the City Council must have a survey conducted and an investigation for the purposes of determining the nature of and suitable location for business district improvements, the approximate cost of acquiring and improving the land there-

fore, the area to be included in the business district or districts, the need for and cost of special services, and cooperative promotion activities, and the percentage of the cost of acquisition, special services, and improvements in the business district which are to be assessed against the property within the business district and that part of the cost, if any, to be paid by public funds.

The SBD may issue revenue and/or general obligation bonds to finance improvements with a qualified vote of the residents and all owners of real property. Special assessments on real property form the revenue stream to fund any debt obligation of the SBD.

Neighborhood Improvement Districts (Chapter 67, RSMo)

Neighborhood improvement districts (NIDs) may be formed by the governing body of the city if a petition is signed by property owners of record of at least two-thirds by area of all real property within the proposed district or approved by them through an election. The city may incur NID debt not to exceed 10 percent of its assessed valuation.

The property owners within a neighborhood improvement district would be required to pay the debt and principle payments on any bonds issued through annual special assessments. Shortfalls in assessment revenue would be made up by the general revenues of the city. This law provides a way for residents to receive desired public improvements with the cost of the project being spread over a number of years, making improvements more affordable.

Impact Fees

A number of methodologies exist to ensure that the additional operating and maintenance costs to the city created by new development are met. One such method is the use of impact fees. The city could take a more proactive role in expanding its use of impact fees to shift the burden and service costs onto those who create the need. An impact fee strategy could be adopted to incent development in areas adjacent to already developed areas or provide a negative incentive to do otherwise. The city would need to work very closely with the development community to obtain their input in building the most equitable impact fee system.

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|----------------|------------------|---------|----------------|---------|-------------|-------------|------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 1: Expand parks, boulevards and open space network | Citywide | | | | ■ | | | ■ |
| Initiative 2: Protect and retain historic sites and structures | Citywide | ■ | ■ | | ■ | | | ■ |
| Initiative 3: Protect unique/sensitive natural areas | Citywide | | ■ | ■ | | | ■ | |
| Initiative 4: Enhance waterways, protect floodplains and reduce flood risks | Citywide | | ■ | ■ | | | ■ | |
| Initiative 5: Guide development to respond to the natural terrain | Citywide | ■ | | ■ | | | ■ | |
| Initiative 6: Promote air quality initiatives | Citywide | ■ | | ■ | | | ■ | |
| Initiative 7: Maintain water quality by protecting aquifers and surface water bodies | Citywide | | ■ | ■ | | | ■ | |
| Initiative 8: Promote livable neighborhoods and quality urban design | Citywide | ■ | | ■ | | | ■ | |
| Initiative 9: Address risks posed by hazardous waste sites and urban brownfields. Develop new financial mechanisms to mitigate priority problem areas. | Citywide | ■ | | | ■ | | ■ | |
| Initiative 10: Promote clean economic development: market the city's environmental quality and attract clean industries. | Citywide | ■ | | | ■ | | ■ | |
| A. Consolidate all prior plans dealing with strategic citywide open space issues including the Metro Green Plan, the Parks and Boulevards Plan, the Missouri Riverfront Plan, and the Metro Bikeway Transportation Plan. | Citywide | ■ | | | ■ | | ■ | |
| B. Expand the open space network into outlying suburban areas of the city by purchase or use of conservation easements. | Citywide | ■ | | | ■ | | | ■ |
| C. Expand citywide awareness of historic buildings and sites within the open space network using published walking tours, historic markers, wayfinding trails, guided tours, and school curriculum. | Citywide | ■ | | | ■ | | ■ | |
| D. Implement an information and technical assistance program to aid businesses in attaining and maintaining good air quality. | Citywide | ■ | | | ■ | | | ■ |
| E. Recognize floodplains through specific tools such as best management practices (BMP) guidelines, down zoning, conservation easements, transfer of development rights, and development clustering incentives. | Citywide | ■ | | ■ | | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| F. Support regional and federal efforts to implement the Missouri Aquifer Groundwater Protection Plan. | Citywide | ■ | | ■ | | | ■ | |
| G. Establish base data to measure and locate possible contamination sources in floodplains and aquifer recharge areas, including septic systems, and agricultural and urban runoff. Establish remediation priorities based on data results. | Citywide | ■ | | | ■ | | ■ | |
| H. Designate "areas of critical city concern" to provide enhanced protection to unique, threatened natural resources, habitats, or scenic areas. | Citywide | ■ | | | ■ | | ■ | |
| I. Protect identified "areas of critical city concern" and other natural areas through incentives or mechanisms including tax abatement coupled to land dedication, conservation easements, collaboration with the Conservation Foundation, ...land endowments | Citywide | ■ | | ■ | ■ | | | ■ |
| J. Designate protected view sheds that offer unique vistas, and require design review to minimize development impacts through clustering or other means. | Citywide | ■ | | ■ | | | | ■ |
| K. Identify and designate key habitat areas and corridors and encourage development practices which sustain wildlife, where appropriate. | Citywide | ■ | | | ■ | | | ■ |
| L. Develop a public education initiative to promote sustainable development and land management practices | Citywide | ■ | | ■ | | | ■ | |
| M. Use Brownfields programs and incentives to reuse vacant industrial zoned land served by public infrastructure that may have contaminated soils or other problematic features | Citywide | | ■ | | ■ | | ■ | |
| Initiative 11: Accommodate all modes in the construction of the city's arterial street and boulevard system | Citywide | | ■ | | ■ | | | |
| Initiative 12: Complete the missing gaps in the arterial street and boulevard system and construct new improvements which serve the priority development areas | Citywide | | ■ | | ■ | | | ■ |
| Initiative 13: Develop a local collector system to relieve the arterial street system | Citywide | | ■ | | ■ | | | ■ |
| Initiative 14: Expand the parkway and boulevard system | Citywide | | ■ | | ■ | | | ■ |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 15: Develop a comprehensive street maintenance program | Citywide | ■ | ■ | | ■ | | | ■ |
| Initiative 16: Develop a city light rail/transit corridor system | Citywide | ■ | ■ | | ■ | | | ■ |
| Initiative 17: Promote transit as an integrated transportation mode | Citywide | ■ | | | | | ■ | |
| Initiative 18: Develop a bikeway system that serves commuter and recreational travel | Citywide | | ■ | | ■ | | | ■ |
| Initiative 19: Promote alternative transportation programs which reduce transportation demand | Citywide | ■ | | | ■ | | ■ | |
| Initiative 20: Prioritize transportation projects in developed and emerging development areas | Citywide | | ■ | | | | ■ | |
| Initiative 21: Develop and implement a comprehensive circulation funding program | Citywide | ■ | | | ■ | | | ■ |
| A. Revise the City's street standards to accommodate automobile, transit, bicycle, and pedestrian modes. Develop a retrofit plan for existing facilities. | Citywide | ■ | | | ■ | | ■ | |
| B. Develop level of service standards for all modes including automobile, transit, bicycle, and pedestrian. | Citywide | ■ | | | ■ | | ■ | |
| C. When appropriate, require a traffic impact study for future public and private developments which address all transportation modes and their levels of service | Citywide | ■ | | ■ | | | ■ | |
| D. Adopt multi-modal oriented development design guidelines for new development and rehabilitation. Require bicycle and pedestrian oriented multi-modal transportation elements in neighborhood design and planning. | Citywide | ■ | | ■ | | | ■ | |
| E. Improve pedestrian access / linkages to transit, by prioritizing the construction of sidewalks along transit corridors and connecting to transit stops. | Citywide | | ■ | ■ | | | ■ | |
| F. Create Transit Impact Zones including financial incentives to retain and attract businesses and to encourage more dense, mixed-use, and compact development. | Citywide | ■ | | | ■ | | ■ | |
| G. Modify engineering standards for intersection design to require pedestrian safety measures for streets | Citywide | ■ | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| H. Develop access control plans for major existing and emerging corridors. | Citywide | ■ | | | ■ | | | ■ |
| I. Develop funding and prioritization programs which allocate resources in the cost-effective and equitable manner and which take into account all modes. | Citywide | ■ | | ■ | | | ■ | |
| J. Integrate traffic calming mechanisms into transportation design and planning | Citywide | ■ | | ■ | | | | ■ |
| K. Modify signing of the freeway interchanges within the Downtown Loop | Citywide | | ■ | | ■ | | ■ | |
| L. Establish pedestrian standards which promote street life and pedestrian activity. | Citywide | ■ | | | ■ | | ■ | |
| M. Develop a parking authority or commission which will promote shared use of parking between day and evening uses and develop pricing strategies to promote transit. | Citywide | ■ | | | ■ | | ■ | |
| N. Promote a citywide mobility program to encourage commuters to use car/van pools and public transit. | Citywide | ■ | | ■ | | | | ■ |
| O. Develop a comprehensive Northland transit plan | Citywide | | ■ | | ■ | | ■ | |
| P. Continue seeking transit operating assistance funding from the Missouri legislature | Citywide | ■ | | | | ■ | ■ | |
| Initiative 25: Extend sewer service to developed areas that are not currently served or have inadequate capacity | Citywide | | ■ | | ■ | | | |
| Initiative 26: Expand the role of Kansas City as a regional utility provider. | Citywide | | ■ | ■ | | | | |
| Initiative 27: Review funding mechanisms and rates for water, wastewater, and storm water. | Citywide | | | | ■ | | | |
| Initiative 28: Enhance and broaden storm water management | Citywide | | | ■ | | | | |
| Initiative 29: Promote the conservation of water usage | Citywide | | | ■ | | | | |
| Initiative 30: Concentrate utility capital investments in areas that are currently or easily served by existing utilities | Citywide | | ■ | ■ | | | | |
| Initiative 31: Preserve and expand the use of existing utility infrastructure to maximize the value of investment | Citywide | | ■ | ■ | | | | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 32: Provide innovative solutions to the problems of inadequate storm drainage facilities and combined sewer overflows | Citywide | ■ | | ■ | | | | |
| Initiative 33: Integrate water quality enhancement and the preservation of natural habitats into greenway, open space and wildlife habitat planning. | Citywide | ■ | | ■ | | | | |
| Initiative 34: Encourage the use of alternative and renewable energy sources | Citywide | ■ | | ■ | | | | |
| Initiative 35: Promote innovative heating and cooling delivery systems | Citywide | | | ■ | | | | |
| Initiative 36: Ensure open and fair competition for utility services | Citywide | ■ | | ■ | | | | |
| Initiative 37: Actively promote the reduction of solid and liquid waste | Citywide | ■ | | ■ | | | | |
| Initiative 38: Continue and enhance the reliable and efficient management of solid wastes | Citywide | ■ | | | ■ | | | |
| Initiative 39: Develop a waste management funding program | Citywide | ■ | ■ | | ■ | | | |
| Initiative 40: Expand the application of advanced telecommunications systems | Citywide | ■ | | ■ | | | | |
| Initiative 41: Enhance the opportunities for telecommuting | Citywide | ■ | | ■ | | | | |
| A. Develop policies and review procedures which prioritize the logical extension and upgrading of water and sewer lines in existing, new, and infill developments. | Citywide | ■ | | ■ | | | ■ | |
| B. Review water and sewer service rates for services provided outside the City of Kansas City. | Citywide | ■ | | | ■ | | ■ | |
| C. Coordinate with the City of Kansas City Community Infrastructure Committee on funding mechanisms for maintenance, upgrade, and extension of existing utility systems. | Citywide | ■ | ■ | ■ | | | ■ | |
| D. Develop basin-wide storm water management plans for all watersheds. | Citywide | ■ | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| E. Develop a twenty-year improvement plan to mitigate existing combined sewer system overflows. Strengthen storm water mitigation requirements for new developments within areas served by combined sewer systems. | Citywide | ■ | | | ■ | | ■ | |
| F. Develop a twenty-year alternative and renewable energy source action plan to implement new technologies for providing energy. | Citywide | ■ | | | ■ | | ■ | |
| G. Develop and extend district steam and chilled water systems. | Citywide | | ■ | | ■ | | ■ | |
| H. Develop public/private partnerships for advancing telecommunication systems, including the integration of new technologies with citywide growth strategies and providing greater access for all citizens. | Citywide | ■ | | ■ | | | | ■ |
| I. Develop a twenty-year solid and liquid waste reduction program | Citywide | ■ | | | ■ | | | ■ |
| Initiative 42: Reconcile the City's zoning practices with the FOCUS Kansas City Plan through a comprehensive revision of the zoning ordinance | Citywide | ■ | | | ■ | | ■ | |
| Initiative 43: Develop and implement design guidelines as the basis for recommendations to the CPC and City Council to direct the form & quality of development in both urban and suburban settings. | Citywide | ■ | | | ■ | | ■ | |
| Initiative 44: "Sunset" planned zoning approvals if not used within a specified period of time. | Citywide | ■ | | | | | ■ | |
| Initiative 45: Locate new community anchors along existing or proposed transit corridors in order to create "critical mass" districts and corridors. Community anchors may be public or private | Citywide | | ■ | | ■ | | ■ | |
| Initiative 46: Enhance the feasibility of infill development, redevelopment, or development proposed as a contiguous or logical extension of existing development patterns through direct assistance or development incentives where justified. | Citywide | ■ | | ■ | | | ■ | |
| Initiative 47: Support compact and mixed-use patterns of development that reduce long commutes, retain open spaces, and minimize costs for public services and facilities, particularly along transit corridors | Citywide | ■ | ■ | ■ | | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 48: Locate multi-modal mixed use developments to serve transit | Citywide | | ■ | ■ | | | ■ | |
| Initiative 49: Implement flexible or reduced parking standards, where integrated with transit, and actively promote higher density development, where appropriate, along existing or proposed transit corridors | Citywide | ■ | | ■ | | | ■ | |
| A. Revise the City's zoning ordinance to coincide with the new development concepts promoted by FOCUS. Include performance standards for noncompatible land uses. | Citywide | ■ | | | ■ | ■ | ■ | |
| B. Replace the "strip commercial" development and zoning patterns with a more compact "nodal" or mixed-use commercial pattern | Citywide | ■ | ■ | ■ | | | | ■ |
| C. Develop a plan for the "sunsetting" of zoning approvals. If the property remains undeveloped, it would revert to its previous zoning classification after a period of time. | Citywide | ■ | | ■ | | ■ | ■ | |
| D. Designate appropriate criteria for large lot, "mini-estates," "ranchettes," or other exurban development forms that consume extensive proportions of open space or cause additional costs of infrastructure extension | Citywide | ■ | | | ■ | | ■ | |
| E. Locate new community "anchors" or development catalysts in areas near the Central Business Corridor and along existing or proposed transit corridors. | Citywide | ■ | ■ | ■ | | | ■ | |
| F. Allocate the costs of infrastructure extensions to the property owner or developer, where development is proposed in a non-contiguous location or requires a non-logical extension of infrastructure. | Citywide | ■ | ■ | ■ | | | ■ | |
| G. Make infill development more feasible for private developers through active land assembly, land reclamation and utility system improvements. | Citywide | ■ | | | ■ | | | ■ |
| H. Concentrate public capital investments, such as arterials, boulevards, parks, and public services, into areas that are contiguous with currently developed land and that are currently or easily served by utilities. | Citywide | | ■ | ■ | | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| I. Avoid a "leapfrogging" pattern of development into agricultural areas, by discouraging the public extension of utilities and infrastructure and through effective agricultural zoning. | Citywide | ■ | | ■ | | | ■ | |
| J. Develop of quality design standards to promote physical connections and a "sense of place," such as a "Traditional Neighborhood" overlay district. | Citywide | ■ | | | ■ | | ■ | |
| K. Streamline the development and regulatory process and eliminate duplicative, outdated, or needlessly cumbersome requirements. | Citywide | ■ | | | ■ | | ■ | |
| L. Promote compact forms of development that reduce long commutes, minimize costs for public facilities and services, and retain open space. | Citywide | ■ | | ■ | | | ■ | |
| M. Promote transit and pedestrian linkages by creating mixed-use, clustered residential, commercial, retail, and office activity areas along transit corridors. | Citywide | ■ | ■ | ■ | | | ■ | |
| N. Reduce parking standards and offer other incentives to encourage greater densities along transit corridors and in mixed-use activity centers, such as Downtown. | Citywide | ■ | | ■ | | | | ■ |
| O. Promote a diversity of housing stock so that Kansas City attracts first-time home buyers and also appeals to move-up and executive level markets. | Citywide | ■ | | ■ | ■ | | ■ | |
| P. Restore and use the city's urban waterways. | Citywide | ■ | ■ | | ■ | | | ■ |
| Q. Locate public housing in all areas of the city that have access to public transportation. | Citywide | | ■ | | ■ | | | ■ |
| R. Create a combination of incentives & partnerships to encourage the rehab of existing housing & the availability of moderate incoming housing in existing neighborhoods. | Citywide | ■ | | | ■ | | | ■ |
| S. Develop design standards & urban design guidelines for low & moderate income housing so that it blends with any neighborhood. | Citywide | ■ | | | ■ | | | ■ |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 1: Increase the volume of historic/architectural properties surveyed beyond current levels. | Preservation | ■ | | ■ | | | ■ | |
| A. Assure that either the City or an appropriate partner agency apply annually for Historic Preservation Grant-in-Aid funds for Hsurvey in accordance with priorities established in the HRSP (& updated as a result of the FOCUS process) and State priorities | Preservation | ■ | | ■ | | | ■ | |
| B. Expand the Volunteer Survey Program to assist in historic/architectural property survey of neighborhoods requesting survey and/or neighborhoods engaged in developing plans. | Preservation | ■ | | | ■ | | ■ | |
| Initiative 2: Establish a formal archaeological survey program in conformance with the outline in "Planning for the Past: Archaeological Resource Management in Kansas City" | Preservation | ■ | | ■ | | | ■ | |
| A. Develop a predictive model for Kansas City to identify areas of high, medium and low probability for archaeological sites. | Preservation | ■ | | | ■ | | ■ | |
| B. Prioritize the archaeological survey to focus on areas in which development is on-going and in which resources would most likely be expected. | Preservation | ■ | | | ■ | | | |
| Initiative 3: Improve ability to evaluate, apply and disseminate historic/architectural property survey data. | Preservation | ■ | | ■ | | | ■ | |
| A. Evaluate surveyed historic/architectural properties in accordance with the National Park Service Criteria and rank according to the "Criteria For Determining Levels of Significance". | Preservation | ■ | | | ■ | | ■ | |
| B. Continue development of a cultural resources data base, including both above and below ground resources and merge with other data base and GIS programs. | Preservation | ■ | | | ■ | | | ■ |
| Initiative 4: Develop cooperative programs between KC Parks & Recreation & Historic Preservation Management Division, Dept. of Planning & Development in on-going systematic identification & evaluation of historic landscape & sites. | Preservation | ■ | | ■ | | | | ■ |
| A. Establish an annual pro-forma vehicle approved by both the KCPD and the City Manager's Office for cooperative historic/architectural property survey planning between the two entities to prioritize grant requests and share survey data. | Preservation | ■ | | ■ | | | | ■ |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 5: Target public incentives to projects in areas with existing public infrastructure and significant historic resources. | Preservation | ■ | | ■ | | | ■ | |
| A. Give incentive priority to significant historic resources that are economically viable and/or those that will have an impact on surrounding properties. | Preservation | ■ | | ■ | | | ■ | |
| B. Maximize the use of incentives by combining them into "tool kits" to address preservation in the context of other issues in older neighborhoods and commercial centers. | Preservation | ■ | | | ■ | | ■ | |
| C. Target the use of CDBG funds to programs which affect areas with historic resources. | Preservation | ■ | | ■ | | | | ■ |
| D. Target historic multi-family residential development and small to medium neighborhood commercial centers for incentive funding | Preservation | ■ | ■ | ■ | | | ■ | |
| Initiative 6: Develop new economic and regulatory incentives to encourage the renovation and occupancy of historic buildings | Preservation | ■ | | ■ | | | ■ | |
| A. Develop a tax abatement program for the rehabilitation of Kansas City Register designated properties. | Preservation | ■ | | | ■ | | ■ | |
| B. Provide incentives to owners who occupy or businesses who lease space in historic non-residential buildings. | Preservation | ■ | | ■ | | | | ■ |
| C. Provide financial assistance for home improvements within residential historic districts | Preservation | ■ | | ■ | | | | ■ |
| D. Utilize grants to establish emergency revolving rehabilitation loan funds for significant historic properties in neighborhoods which have adopted revitalization plans. | Preservation | ■ | | | ■ | | | ■ |
| Initiative 7: Eliminate disincentives to preservation of historically significant commercial and residential properties | Preservation | ■ | | ■ | | | | ■ |
| A. Revise appraisal policies for historic properties to reduce property taxes and, therefore, reduce incentive to demolish or allow demolition by neglect. | Preservation | ■ | | | | ■ | | ■ |
| B. Revise the property tax code to encourage rehabilitation of historically significant properties rather than demolition. | Preservation | ■ | | | | ■ | | ■ |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| C. Utilize established incentive programs to include project administrative costs for smaller historic building rehabilitation projects. | Preservation | ■ | | ■ | | | | ■ |
| D. Use Incentives for abatement of environmental hazards in significant historic buildings. | Preservation | ■ | | ■ | | | | ■ |
| E. Develop a vehicle to consistently utilize the "Main Street Program" in and along small neighborhood commercial corridors. | Preservation | ■ | | | ■ | | | ■ |
| F. Develop a fee schedule for building permits that is lower for rehabilitation than new construction | Preservation | ■ | | | | ■ | ■ | |
| G. Exempt owners of property listed on the Kansas City Register of historic places from building permit fees upon issuance of a Certificate of Appropriateness. | Preservation | ■ | | | | ■ | ■ | |
| H. Develop programs which eliminate parking issues as a disincentive to rehabilitation of buildings as part of a larger parking strategy for the urban core. | Preservation | ■ | | | ■ | | | ■ |
| Initiative 8: Strengthen and improve the Landmark Ordinance | Preservation | ■ | | ■ | | | ■ | |
| A. Initiate research to update existing Landmark's ordinance including determination of the best legal framework in accordance with Federal and State law to provide the strongest and most flexible vehicles for protection of resources. | Preservation | ■ | | | | ■ | ■ | |
| Initiative 9: Streamline and tailor the City's general review and regulatory processes to keep them from becoming a disincentive for renovation projects | Preservation | ■ | | ■ | | | ■ | |
| A. Amend the zoning ordinance to include measures to be compatible with City-wide preservation goals. | Preservation | ■ | | | | ■ | ■ | |
| B. Adopt a building & fire code for older and historic buildings. Base code on models which have worked in other similar locations and have a proven record of efficient application. | Preservation | ■ | | | | ■ | ■ | |
| C. Develop a position within City Hall to serve as a liaison between the developer and/or owner of a historic property and the various City agencies involved in project review and approval. | Preservation | ■ | | ■ | | | ■ | |
| D. Accelerate the review process for renovation projects within historic districts. | Preservation | ■ | | ■ | | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 10: Integrate preservation goals into City processes, policies and plans. | Preservation | ■ | | ■ | | | ■ | |
| A. Determine the impact of all public and local incentive projects on significant historic resources early in the planning process. | Preservation | ■ | | | ■ | | ■ | |
| B. Incorporate Institutional Planning into the Development and land use regulatory processes. | Preservation | ■ | | ■ | | | | ■ |
| C. Integrate preservation methods into Neighborhood Plans. | Preservation | ■ | | | ■ | | ■ | |
| D. Initiate an historic resource management plan for Parks and Recreation based on CLG standards. | Preservation | ■ | | | ■ | | | ■ |
| E. Include the protection of historic resources as a criterion in the acquisition of public parks. | Preservation | ■ | | ■ | | | | ■ |
| F. Establish preservation policies to direct City's role as a member of the Land Trust Board of Directors. | Preservation | ■ | | | ■ | | | ■ |
| G. Establish notice and coordination procedures between the professional staff of all regulatory bodies. | Preservation | ■ | | | ■ | | ■ | |
| H. Require an inventory and cyclical maintenance program for all City-owned historic buildings. | Preservation | ■ | | ■ | | | ■ | |
| I. Encourage public agencies to own or lease space in historic buildings. Use historic cultural buildings as Focus Centers | Preservation | ■ | ■ | ■ | | | | ■ |
| J. Develop a vehicle to consistently utilize the "Main Street" program in neighborhood commercial centers. | Preservation | ■ | | | ■ | | | ■ |
| K. Develop and adopt proactive rehabilitation alternatives and coordinate policies to actively promote rehabilitation of deteriorated and dangerous buildings in addition to demolition. | Preservation | ■ | | | ■ | | ■ | |
| L. Develop programs to protect significant abandoned and endangered historic properties. | Preservation | ■ | | | ■ | | ■ | |
| M. Work with County governments to develop a cooperative program to notify property owners about incentives and/or restrictions related to designated properties or properties eligible for listing on the National Register of Historic Places. | Preservation | ■ | | | ■ | | | ■ |
| N. Notify property owners that have a high potential for the presence of significant archaeological sites on their property | Preservation | ■ | | | ■ | | | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 11: Utilize the City as a Laboratory for Heritage Education for life-long learning. | Preservation | ■ | | ■ | | | | ■ |
| A. Encourage areas schools to make the history of Kansas City part of the history curriculum, just as national and State history are now incorporated into the larger curriculum | Preservation | | | ■ | | | | |
| B. Facilitate the creation of an integrated environmental and preservation curriculum which builds on the programs being developed by Center For The Understanding of the Built Environment. | Preservation | | | | ■ | | | |
| C. Encourage through incentives area schools to require in-service training for educators at historic sites. | Preservation | | | ■ | | | | ■ |
| D. Develop guided and self-guided walking tours designed for all ages and available at public sites in heritage tourism areas. Integrate this into the City and Region's tourism program. | Preservation | ■ | ■ | | ■ | | | ■ |
| E. Develop educational curricula that links historic preservation with environmental issues. | Preservation | | | | ■ | | | ■ |
| F. Develop a public archaeology program in cooperation with other metropolitan area sites to provide learning experiences "in the field." | Preservation | ■ | | | ■ | | | ■ |
| Initiative 12: Develop marketing/education programs to promote economic investment in heritage areas. | Preservation | | | ■ | | | ■ | |
| A. Cultivate media interest in preservation issues around a consistent set of messages. | Preservation | | | | ■ | | ■ | |
| B. Develop a marketing program to encourage use of historic properties. | Preservation | | | | ■ | | | |
| C. Address environmental laws and regulations that are either real or perceived impediments to preservation | Preservation | | ■ | | | ■ | | |
| Initiative 13: Develop programs designed to help neighborhoods utilize preservation and to easily access the city's preservation programs. | Preservation | ■ | | ■ | | | ■ | |
| A. Publish a brief summary of preservation programs and procedures. Use neighborhood associations to distribute information. | Preservation | ■ | | | ■ | | ■ | |
| B. Expand upon the "Old House Network" established for residential neighborhoods by the HMPD by establishing new programs through public/private partnerships. | Preservation | | | | ■ | | | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 14: Create products and activities to educate elected officials and city staffs, developers, investors, planners, contractors and design professionals about the advantages of preservation. | Preservation | ■ | | ■ | | | | ■ |
| A. Target Private Groups for specific preservation educational programs. | Preservation | ■ | | ■ | | | | |
| B. Develop training modules for city staff on the processes, applications and benefits of historic preservation. | Preservation | ■ | | | ■ | | | ■ |
| Initiative 15: Develop a comprehensive heritage tourism program which integrates historic sites and vendors into program planning and implementation. | Preservation | ■ | | ■ | | | ■ | |
| A. Designate a Kansas City Heritage Corridor which begins at the Kansas City Riverfront at the Town of Kansas Historic Site. | Preservation | ■ | | | ■ | | ■ | |
| B. Develop a significant historic destination at the K.C. River Front which incorporates the Town of Kansas Historic Site and a Kansas City History Museum. | Preservation | ■ | | | ■ | | ■ | |
| Initiative 16: Encourage regional cooperation in programming and networking in public relations and marketing efforts. | Preservation | ■ | | ■ | | | ■ | |
| A. Through the National Trust Heritage Tourism Program, enlist the participation of all metropolitan historic sites and museums to conduct a comprehensive management and interpretive assessment and develop a cooperative marketing and interpretive plan. | Preservation | ■ | | | ■ | | ■ | |
| Initiative 1: Stabilize and enhance existing neighborhoods by eliminating septic systems, addressing storm drainage and other infrastructure needs, providing for maintenance of roadways and other programs. | Northland | | | | | | | |
| A. Change City Charter to allow for different assessment mechanisms so that improvements are affordable to homeowners. | Northland | ■ | | | | ■ | ■ | |
| B. Eliminate septic systems from and provide adequate fire protection to neighborhoods. | Northland | | ■ | | ■ | | ■ | |
| C. Identify public maintenance and improvement projects needed to correct drainage, sewage, and other infrastructure problems in stabilization neighborhoods. | Northland | | ■ | ■ | | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|----------------|------------------|---------|----------------|---------|-------------|-------------|------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| D. Implement a system for prioritizing public sector utility projects favoring inadequately served areas of existing development. | Northland | ■ | | ■ | | | ■ | |
| E. Target public maintenance and improvement dollars to correct drainage, sewage, and other infrastructure problems in stabilization neighborhoods. | Northland | | ■ | ■ | ■ | | ■ | |
| F. Enact a funding source for ongoing maintenance of existing roadway facilities. | Northland | ■ | | | | ■ | ■ | |
| G. Implement an ongoing maintenance program for existing roadway facilities. | Northland | ■ | | | ■ | | ■ | |
| H. Enact user-friendly enabling legislation to provide neighborhoods with an additional tool to assemble resources for neighborhood improvement projects. | Northland | ■ | | | | ■ | ■ | |
| I. Begin the Neighborhood Assessment process. | Northland | ■ | | ■ | | | ■ | |
| J. Provide effective code enforcement in conservation and stabilization neighborhoods to prevent progressive deterioration. | Northland | ■ | | ■ | | | ■ | |
| K. Provide fiscal and regulatory incentives to encourage investment in older, established neighborhoods. | Northland | ■ | | ■ | | | ■ | |
| Initiative 2: Revise Northland Area Plans and implement rezoning to conform with new land use plans. | Northland | | | | | | | |
| A. Develop a work schedule for revising Northland Area Plans, Northland Master Water & Sewer Plan and Park & Recreation Plan, beginning with areas identified as most in need of attention due to growth pressures or other considerations. | Northland | ■ | | ■ | | | ■ | |
| B. Revise Northland Area Plans consistent with FOCUS goals (compact/mixed use development, transit corridors, etc.). | Northland | ■ | | | ■ | | ■ | |
| C. In the process of revising the Area Plans, identify locations for multi-modal, mixed use centers. | Northland | ■ | | | ■ | | ■ | |
| D. In the process of revising the Area Plans, identify secondary and collector streets parallel to primary and freeway facilities to supplement the Major Street Plan. | Northland | ■ | | | ■ | | ■ | |
| E. Adopt Revised Area Plans. | Northland | ■ | | | | ■ | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| F. Review current zoning for consistency with the adopted Land Use Plans contained in the revised Area Plans. Develop a rezoning plan for implementation. | Northland | ■ | | | ■ | | ■ | |
| G. Implement re-zoning plan to bring properties into conformance with the adopted Land Use Plans. | Northland | ■ | | | | ■ | | ■ |
| H. Seek legislation necessary to permit sunset provisions to bring pre-existing, non-conforming zoning and plats into conformance with revised Area Plans. | Northland | ■ | | ■ | | ■ | ■ | |
| I. Develop an inventory of existing platted but undeveloped land and vacant land located in Priority Development Areas as identified on the Northland Urban Form Map #6. | Northland | ■ | | | ■ | | ■ | |
| Initiative 3: Revise the development regulations and process to promote "quality development" and other FOCUS objectives. | Northland | | | | | | ■ | |
| A. Develop a new Site Plan Review process in the Zoning Ordinance, together with defined development standards to maximize use of existing utilities, protect natural, scenic resources, and archaeological resources and provide design review. | Northland | ■ | | | ■ | | ■ | |
| 1. Utilize current design and aesthetic review procedures established in the City Architect's office for all public projects. Measure against established urban design standards. | Northland | ■ | | ■ | | | ■ | |
| 2. Provide landscape design standards and tree preservation requirements for all development | Northland | ■ | | | ■ | | ■ | |
| 3. Utilize existing "enhanced arterial standards" for all arterial roadway improvements | Northland | ■ | | ■ | | | ■ | |
| 4. Develop and Implement requirements for pedestrian/bicycle amenities and connections. | Northland | ■ | | | ■ | | ■ | |
| B. Develop a cluster/open space development option to help promote more efficient public infrastructure and services and preserve sensitive resources as open space. | Northland | ■ | | | ■ | | ■ | |
| C. Develop zoning, incentives, and standards to encourage development of multi-modal, mixed use centers. | Northland | ■ | | | ■ | | ■ | |
| D. Revise the Subdivision Regulations: | Northland | ■ | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|----------------|------------------|---------|----------------|---------|-------------|-------------|------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| 1. Develop standards to protect natural drainage systems, minimize land disturbance, protect archaeological resources, ... | | ■ | | | ■ | | ■ | |
| 2. Develop and implement engineering street standards to incorporate bikeways, pedestrian and transit facilities flexibility to respond to topography and natural features; access control, signal spacing and others more fully set out in the Northland Plan. | Northland | ■ | | | ■ | | ■ | |
| E. Revise the parkland dedication requirement to provide the City with the option of requiring a cash payment in lieu of land that does not contribute to the overall parks system. | Northland | ■ | | ■ | | | ■ | |
| F. Reevaluate the dedication formula to insure the cash value is commensurate with the value of the land. | Northland | ■ | | ■ | | | ■ | |
| G. Adopt revised development regulations | Northland | ■ | | | | ■ | ■ | |
| H. Make the decision-making process more accessible to the public (e.g., by changing meeting times and locations) | Northland | ■ | | ■ | | | ■ | |
| I. Change internal review procedures and regulatory requirements to make it easier for developers to implement quality/innovative development. | Northland | ■ | | ■ | | | ■ | |
| J. Adopt regulatory changes to favor innovative development (e.g., cluster as opposed to conventional subdivisions) as part of the revised development regulations. | Northland | ■ | | | | ■ | ■ | |
| Initiative 4: Direct public infrastructure policy and incentives to encourage infill and contiguous development. | Northland | | | | | | | |
| A. Revise existing policies to support infill development through the use of incentives & the targeting of capital resources. | Northland | ■ | | ■ | | | ■ | |
| B. Develop fiscal and regulatory incentives to promote infill and contiguous development. | Northland | ■ | | | ■ | | ■ | |
| C. Enact fiscal and regulatory incentives to promote infill and contiguous development, in conjunction with the comprehensive revision to the development regulations. | Northland | ■ | | | | ■ | ■ | |
| Initiative 5: Provide a range of quality housing choices in the Northland. | Northland | | | | | | | |
| A. Address the provision of a variety of housing types in the preparation of Area Plans and revised development standards. | Northland | ■ | | ■ | | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| B. Include policies and regulations encouraging the provision of a variety of housing types in the adoption of Area Plans and revised development regulations. | Northland | ■ | | | | ■ | ■ | |
| C. Work with the private sector to develop low cost financing programs for the rehabilitation of existing housing stock. | Northland | | | ■ | | | ■ | |
| Initiative 6: Implement an interconnected system of parks and greenways. | Northland | | | | | | | |
| A. Complete the Master Plan for a shared greenway along the Missouri River. | Northland | ■ | | ■ | | | ■ | |
| B. Acquire property necessary and implement the plan. | Northland | | ■ | | ■ | | | ■ |
| C. Using the 1993 Plan for Parks, Recreation, Boulevards, and Greenways as a starting point, work with the Parks and Recreation Department to identify and prioritize public acquisition projects. | Northland | ■ | | ■ | | | ■ | |
| D. Implement acquisition of property and project construction. | Northland | | ■ | | ■ | | | ■ |
| E. Work with adjacent jurisdictions to fund & build an interconnected greenway system throughout the metro area. | Northland | ■ | ■ | | ■ | | | ■ |
| F. Work with the Landmarks and Historic Trust Corporation to promote use of the conservation easement program for open space preservation by private landowners. | Northland | ■ | | ■ | | | ■ | |
| Initiative 7: Preserve sensitive natural resources. | Northland | | | | | | | |
| A. Inventory and map significant natural archaeological and scenic resources in the Northland. | Northland | ■ | | | ■ | | ■ | |
| B. Integrate preservation of identified natural and scenic resources into public and private development planning and revised development regulations. | Northland | ■ | | ■ | | | ■ | |
| C. Complete and integrate stormwater management plans for the Northland's major drainage basins. | Northland | | ■ | | ■ | | ■ | |
| D. Implement stormwater management plans through public infrastructure projects and review of private developments. | Northland | | ■ | | ■ | | | ■ |
| Initiative 8: Develop a system of bikeways. | Northland | | | | | | | |
| A. Adopt the Mid America Regional Council's Bikeway Plan and incorporate into public infrastructure planning and the development review and approval process. | Northland | ■ | | | | ■ | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| B. Inventory the existing street system to identify "bicycle friendly" routes and those that can be inexpensively made so. | Northland | ■ | | | ■ | | ■ | |
| C. Retrofit existing neighborhoods with bicycle/pedestrian connections. | Northland | | ■ | | ■ | | | ■ |
| D. Encourage bicycle/pedestrian connections in the design of new developments. | Northland | ■ | | ■ | | | ■ | |
| E. Coordinate property acquisition and construction of bikeways with other public improvement projects, especially sanitary sewers proposed in drainage corridors. | Northland | | ■ | ■ | | | ■ | |
| Initiative 9: Implement a higher quality of urban design in the public landscape. | Northland | | | | | | | |
| A. Seek opportunities in public and private development projects to establish distinctive landmarks that contribute to the Northland's identity. | Northland | | ■ | ■ | | | ■ | |
| B. Prepare a comprehensive informational and directional signage plan for the Northland. | Northland | ■ | | ■ | | | ■ | |
| C. Implement and maintain the informational and directional signage plan. | Northland | ■ | | | ■ | | ■ | |
| D. Design important roadways and intersections in the Northland as "Gateways" and "Key Intersections" with special streetscape design and other amenities. | Northland | ■ | | ■ | ■ | | ■ | |
| E. As a first priority, develop plans for urban design improvements to the Broadway Bridge/Broadway extension gateway. | Northland | ■ | | | ■ | | ■ | |
| F. Implement urban design improvements to the Broadway Bridge/Broadway Extension Gateway. | Northland | ■ | | | ■ | | | ■ |
| G. Work with the Missouri Department of Transportation to achieve greater urban design quality in state highway improvement projects in the Northland and remove barriers to bicycle & pedestrian traffic. | Northland | ■ | | | | | ■ | |
| H. Design a comprehensive streetscape enhancement along Barry Road, including bicycle and pedestrian facilities, as an urban design demonstration project. | Northland | ■ | | | ■ | | ■ | |
| I. Implement the Barry Road streetscape enhancement project. | Northland | | ■ | | ■ | | | ■ |

| FOCUS Initiatives Matrix | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 10: Improve vehicular and transit circulation in the Northland. | Northland | | | | | | | |
| A. Implement a system for prioritizing transportation improvements in the Northland. | Northland | ■ | | | ■ | | ■ | |
| B. Identify projects and develop design drawings and a phasing plan to complete gaps in the east-west collector and arterial system south of Barry Road. Include 1 example of a fully developed "transit corridor". | Northland | ■ | | | ■ | | | |
| C. Implement projects to complete the gaps in the east-west collector and arterial system south of Barry Road. | Northland | | ■ | | ■ | | | ■ |
| D. Improve bridge capacity through multi-modal physical improvements and an "intelligent transportation system." | Northland | ■ | ■ | | ■ | | | ■ |
| E. Improve vehicular circulation from the downtown to the Broadway, Heart of America, and Paseo Bridge to make it easier to drive between the Urban Core and the Northland. | Northland | ■ | ■ | | ■ | | | ■ |
| F. Implement the Kansas City Area Transit Authority (KCATA)'s Northland Public Transportation Study especially recommendations related to Transit Centers and Feeder Routes. | Northland | | ■ | | ■ | | | ■ |
| G. Extend light rail to north of the Missouri River and link to regional and collector bus service including park-and-ride. Over the long term, extend light rail or other form of technology to the KCI Airport. | Northland | | ■ | ■ | ■ | | | ■ |
| Initiative 1: Involve all segments of the community in denouncing racism and racist behaviors, in welcoming and respecting social diversity. | Human Investment | ■ | | ■ | | | ■ | |
| Initiative 2: Promote human rights for all and expand Community Policing and actively improve police-community relations, particularly in low-income communities. | Human Investment | ■ | | ■ | | | ■ | |
| A. Conduct anti-racism leadership retreats as regular events for community opinion makers and leaders from all elements of city life. | Human Investment | ■ | | | ■ | | ■ | |
| B. Conduct annual workshops involving police officers, trainers and members of minority communities to explore perceptions & realities. | Human Investment | ■ | | | ■ | | ■ | |
| C. Establish an anti-racism resource center. | Human | | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|------------------|------------------|---------|----------------|---------|-------------|-------------|------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| D. Assist all Kansas City school districts in upgrading their anti-racism curriculums. | Human Investment | | | | ■ | | ■ | |
| E. Establish additional and strengthen existing mentoring programs for minority youth. | Human Investment | | | | ■ | | ■ | |
| F. Facilitate connections between youth and police and among cross cultural organizations metro-wide. | Human Investment | ■ | | | ■ | | ■ | |
| G. Develop a qualified group of anti-racism resource managers and facilitators to serve the region. | Human Investment | ■ | | | ■ | | ■ | |
| H. Expand Community Policing city wide. | Human | ■ | | | ■ | | ■ | |
| I. Work with local religious and cultural organizations to create gatherings that provide opportunities for cross-cultural exchange and understanding. | Human Investment | | | | ■ | | ■ | |
| J. Provide a model and an assistance package for institutions to undertake a self-directed racism audit. | Human Investment | ■ | | | ■ | | ■ | |
| K. Work with the media to present positive stories of diversity achievement resulting from community efforts. | Human Investment | ■ | | | ■ | | ■ | |
| L. Pay diligent attention to issues of racial justice such as lending practices, insurance company performance, fair housing practices and equal employment opportunities. | Human Investment | ■ | | ■ | | | ■ | |
| Initiative 3: Develop a citywide culture of entrepreneurship | Human | ■ | | ■ | | | ■ | |
| A. Develop a marketing campaign to bring talented young people back to Kansas City. | Human Investment | ■ | | | ■ | | | ■ |
| B. Establish a "Made in Kansas City" and "Buy it in Kansas City" campaign. | Human Investment | ■ | | | ■ | | | ■ |
| C. Promote entrepreneurial activities focused on environmental remediation and recycling. | Human Investment | ■ | | | ■ | | ■ | |
| D. Establish special programs for minority entrepreneurs and a minority capital fund to provide for the special difficulties minorities have in raising capital for business start-ups. | Human Investment | ■ | | | ■ | | ■ | |
| E. Establish networks of entrepreneurial businesses including the established business community sponsoring entrepreneur clubs. | Human Investment | ■ | | | ■ | | | ■ |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| F. Initiate business retention programs to address growing enterprises who have passed the start-up stage, but need more capital and different organizational and management skills to succeed in the next stage of business development. | Human Investment | ■ | | | ■ | | ■ | |
| Initiative 4: Develop a coordinated, comprehensive employment and job training system that is accessible to and useable by all city residents. | Human Investment | ■ | | ■ | | | ■ | |
| A. Establish a jobs clearinghouse via the Internet with a Kansas City Jobs Home Page. Provide jobs information on Public-access radio and TV. | Human Investment | ■ | | | ■ | | ■ | |
| B. Assist Kansas City community development corporations in addressing job creation, retention and attraction. | Human Investment | ■ | | | ■ | | ■ | |
| C. Initiate a business roundtable of the 25 largest city employers to identify specific employment opportunities based on industry projections and train people specifically for those jobs. | Human Investment | ■ | | | ■ | | ■ | |
| D. Partner with the school districts and community colleges to ensure the upcoming workforce has the required skills for the jobs that will be available. | Human Investment | ■ | | | ■ | | ■ | |
| Initiative 5: Restructure, expand and continually upgrade programs and services that provide comprehensive employment development opportunities. Devise and implement programs to re-channel the energy and skills of older workers. | Human Investment | | | ■ | | | ■ | |
| A. Bolster and expand workplace literacy and workforce education programs that address persistent reading, math and communications deficits among substantial segments of the community's workforce. | Human Investment | | | | ■ | | ■ | |
| B. Engage institutions of higher learning in continuing to find creative ways to serve the working, continuing education student and to help older persons gain skills to stay current. | Human Investment | | | | ■ | | | ■ |
| Initiative 6: Expand and enhance successful early-childhood programs such as Head Start that prepare very young children for school and develop in them an understanding and love of learning. | Human Investment | | | ■ | | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| A. Work with the State of Missouri to develop more stringent requirements and guidelines for child-care providers, especially for those caring for infants. | Human Investment | | | | | ■ | ■ | |
| B. Provide affordable day care at non-traditional hours. | Human Investment | | | | ■ | | ■ | |
| C. Develop a comprehensive "Come out and Play" catalogue that summarizes all City parks programming citywide and the various facilities at which they are offered. | Human Investment | | | | ■ | | ■ | |
| D. Conduct youth roundtables in all parts of the city to identify needed and desired recreational programs. | Human Investment | ■ | | | ■ | | | ■ |
| E. Involve community anchors in sponsoring and otherwise supporting youth recreational programs. | Human Investment | | | | ■ | | ■ | |
| F. Create a community insurance pool that broadens community access to public facilities. Work with school district officials and operators of other quasi-public facilities to evaluate their indemnity needs. | Human Investment | ■ | | | ■ | | ■ | |
| G. Improve the variety and availability of recreational programs for children and youth and ensure that these programs are accessible to all. | Human Investment | | | | ■ | | ■ | |
| Initiative 7: Ensure that all children and youth have safe places to learn, play and socialize, as well as, positive role models, through a comprehensive youth-development system. | Human Investment | ■ | | ■ | | | ■ | |
| Initiative 8: Enhance and expand site-based school management opportunities and other educational innovations. | Human Investment | ■ | | ■ | ■ | | | ■ |
| A. Act as the City's advocate for children and their needs ensuring that the question "Is it good for the Children?" is an integral part of all decisions, whether public or private. | Human Investment | ■ | | ■ | | | ■ | |
| B. Increase communication and cooperation among the 14 school districts by creating a confederation of school districts to establish new connections to discuss and consider issues critical to the population of the city. | Human Investment | ■ | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| C. Support flexible approaches to education including alternative schools and magnet schools. | Human Investment | | | ■ | | | ■ | |
| D. Work to ensure adequate and stable funding for the public school system and equitable distribution of resources, especially technological resources. | Human Investment | ■ | | | ■ | ■ | ■ | |
| E. Publicize the availability of programs that foster personal development. | Human Investment | ■ | | | ■ | | | ■ |
| F. Connect schools to neighborhood organizations and seek funding or other mechanisms such as community insurance that will allow school facilities to be used by citizen groups beyond typical school hours. | Human Investment | | | | ■ | | ■ | |
| G. Seek to establish a major technological institute attached to a college or university located within the city to provide accessible resources for the working student to advance skills and credentials. | Human Investment | | | | ■ | | | ■ |
| H. Coordinate and expand efforts to deal with problems encountered by specific groups, especially young minority males. | Human Investment | ■ | | | ■ | | ■ | |
| I. Craft Kansas City into the "Citizens Involved in Learning" capital of the nation | Human Investment | | | ■ | | | | |
| Initiative 9: Expand public education programs to encourage citizens to become more health-conscious and motivated to take responsibility for their own physical and mental well-being. | Human Investment | ■ | | ■ | | | ■ | |
| Initiative 10: Expand and promote family-oriented wellness programs focused on preventive health care, nutrition, exercise, recreation, conflict and stress management and negotiation. | Human Investment | ■ | | ■ | | | | |
| Initiative 11: Declare Kansas City to be a "Drug-Free City" and continue the all-out attack on illegal drugs and other unhealthy addictive substances. | Human Investment | | | ■ | ■ | | ■ | |
| Initiative 12: Reduce violent crime and domestic violence of all types | Human Investment | | | ■ | ■ | | ■ | |
| A. Identify "at-risk" children and insure that services of the community are made available to them | Human Investment | ■ | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| B. Develop a comprehensive citywide multi-media public health-education campaign. | Human Investment | ■ | | | ■ | | ■ | |
| C. Distribute health education materials via workplaces, schools, health providers, neighborhood associations, FOCUS Centers and other quasi-public outlets. | Human Investment | ■ | | | ■ | | | ■ |
| D. Conduct an annual citywide Health Fair designed to attract a broad audience. | Human Investment | ■ | | | ■ | | | ■ |
| E. Work with area-wide school districts and youth organizations to gather information about the nature, content and success of local health-education and physical activity programs. | Human Investment | ■ | | | ■ | | ■ | |
| F. Assemble a computerized "catalogue" of approaches and make it available to contributors. | Human Investment | ■ | | | ■ | | | ■ |
| G. Create an urban Wellness Corps that uses grassroots organizations to encourage healthy behaviors. | Human Investment | | | | ■ | | | |
| H. Create a "War on Drugs" Task Force, building on and incorporating the efforts of COMBAT, DARE as well as other similar efforts, to initiate a "zero-tolerance" campaign and monitor its results. | Human Investment | | | | ■ | | ■ | |
| I. Build on existing efforts to sponsor and enlarge the direct involvement of adult males with boys and young males in the community. | Human Investment | | | | ■ | | | ■ |
| Initiative 13: Foster a high level of efficiency, coordination and cooperation among arts organizations. | Human Investment | | | ■ | | | ■ | |
| Initiative 14. Expand patronage for and participation in the arts. | Human Investment | | | ■ | ■ | | | |
| Initiative 15. Develop Kansas City into a national cultural destination. Recognize and promote the value of the arts. | Human Investment | | | ■ | ■ | | ■ | |
| A. Encourage the Municipal Art Commission to coordinate, assist and nurture cultural endeavors within the community. | Human Investment | ■ | | ■ | | | ■ | |
| 1. Document the needs of cultural organizations to area residents, elected officials and community leaders. | Human Investment | | | | ■ | | ■ | |
| 2. Provide technical support to cultural organizations such as strategic planning, personnel management etc. | Human Investment | | | | ■ | | ■ | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-------------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| 3. Coordinate joint-marketing efforts such as joint programming, presentations, and discounted or group ticket sales. | Human Investment | | | | ■ | | ■ | |
| 4. Host roundtables among cultural community and schools, tourist bureaus, civic organizations, and businesses to encourage cooperative projects and partnerships. | Human Investment | | | | ■ | | ■ | |
| 5. Coordinate with other local arts agencies and support organizations in the Kansas City metropolitan area to increase awareness of technical assistance capabilities, programs and projects. | Human Investment | | | ■ | ■ | | ■ | |
| 6. Work as an advocate for the cultural community through enhanced public relations and arts marketing. | Human Investment | | | ■ | ■ | | ■ | |
| B. Concentrate cultural facilities downtown. | Human Investment | | ■ | ■ | | | ■ | |
| C. Work with local media outlets to give wide local coverage to all events and persons that reflect positively on Kansas City. | Human Investment | ■ | | | ■ | | ■ | |
| D. Create a Cultural Connection calendar that informs the community about the wide range and large number of cultural events available in each area of the community. | Human Investment | | | | ■ | | | ■ |
| E. Select two or three events held annually that may be marketed and publicized nationally. | Human Investment | ■ | | | ■ | | | |
| F. Create a handbook on how to start or enhance a neighborhood street festival. | Human Investment | | | | ■ | | | |
| G. Establish a Kansas City Artists International Program to offer support to artists, curators, managers, and arts organizations. | Human Investment | | | | ■ | | | |
| H. Create a community effort to improve the quality of neighborhood life through horticultural instruction, materials and employment. | Human Investment | | | | ■ | | | |
| Initiative 1: Strategic Assessments | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| A. Implement the Strategic Assessment Process | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| Initiative 2: Community Building and Organizing | Neighborhood Prototypes | | | | | | | |

| FOCUS Initiatives Matrix | | | | | | | | |
|---|-------------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| A. Encourage community anchors to work with neighborhoods on improvements and activities (See the Community Anchors Building Block) | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| B. Provide opportunities for neighborhood input on development/planning activities | Neighborhood Prototypes | ■ | | ■ | | | ■ | |
| C. Compile a comprehensive directory of programs and services for neighborhoods | Neighborhood Prototypes | | | | ■ | | | ■ |
| D. Create a Neighborhood Partners Program | Neighborhood Prototypes | | | | ■ | | | ■ |
| E. Expand Community Development Corporation objectives to include comprehensive neighborhood improvement | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| F. Develop neighborhood property management cooperatives | Neighborhood Prototypes | | | | ■ | | | |
| G. Inventory residents' skills, capabilities & needs at block level | Neighborhood Prototypes | | | | ■ | | ■ | |
| H. Involve absentee owner and renters in neighborhood organizations | Neighborhood Prototypes | | | | ■ | | | |
| I. Create neighborhood associations in all neighborhoods | Neighborhood Prototypes | | | | ■ | | | |
| Initiative 3: Neighborhood Design/Infrastructure | Neighborhood Prototypes | | | | | | | |
| A. Reclaim alleys in older neighborhoods | Neighborhood Prototypes | ■ | ■ | | ■ | | | |
| B. Design neighborhood transportation system that balances all types of travel, including pedestrian and bicycles | Neighborhood Prototypes | ■ | | ■ | | | | |
| C. Give high priority to repair/provision of water and sewer service utilities in existing neighborhoods | Neighborhood Prototypes | | ■ | ■ | | | ■ | |
| D. Identify illegal dumping sites and develop strategies to deter dumping activity | Neighborhood Prototypes | ■ | | | ■ | | | |
| E. Integrate new commercial development with the character, scale and style of adjacent neighborhoods | Neighborhood Prototypes | ■ | | | ■ | | | |

| FOCUS Initiatives Matrix | | | | | | | | |
|---|-------------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| F. Utilize neighborhood parks as activity centers | Neighborhood Prototypes | ■ | | | ■ | | | |
| G. Develop a positive art and graffiti program, focusing on art that reflects the character of the neighborhood, residents or positive messages | Neighborhood Prototypes | ■ | | | ■ | | | |
| Initiative 4: Housing Quality/Variety | Neighborhood Prototypes | | | | | | | |
| A. Adopt a rehabilitation building code | Neighborhood Prototypes | ■ | | | | ■ | ■ | |
| B. Create a special overlay district for neighborhoods with distinct quality and character that do not meet historic designation status | Neighborhood Prototypes | ■ | | | | ■ | | |
| C. Create a new residential zoning category for older urban neighborhoods to maintain their existing low-density, single-family | Neighborhood Prototypes | ■ | | | | ■ | | ■ |
| D. Provide assistance for low-income homeowners with code violations through one-stop assistance center | Neighborhood Prototypes | ■ | | | ■ | | | |
| E. Provide incentives for rental to owner-occupied conversion | Neighborhood Prototypes | ■ | | ■ | | | | |
| F. Enforce aggressive rehabilitation, redevelopment or condemnation of dilapidated properties | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| G. Establish incentives to encourage home ownership | Neighborhood Prototypes | ■ | | | ■ | | | |
| H. Promote infill housing by encouraging the transfer of Land Trust properties, vacant lots and structures | Neighborhood Prototypes | ■ | | | ■ | | | ■ |
| I. Promote simplified versions of "353" or Tax Increment Financing for small property owners | Neighborhood Prototypes | ■ | | ■ | | | | ■ |
| J. Work aggressively to reduce or stop "redlining" | Neighborhood Prototypes | ■ | | ■ | | | | |
| K. Establish a program to require code inspection for rental property | Neighborhood Prototypes | ■ | | | ■ | | | |
| L. Explore potential for non-profit organization to administer minor home repair program | Neighborhood Prototypes | ■ | | | ■ | | | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
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| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| M. Expand homeowner education programs | Neighborhood Prototypes | ■ | | | ■ | | | |
| N. Explore granting eminent domain capabilities to community development organizations | Neighborhood Prototypes | ■ | | | ■ | | | |
| O. Expand code inspection training and citation authority for neighborhoods | Neighborhood Prototypes | ■ | | | ■ | | | |
| Initiative 5: Neighborhood Economic Development | Neighborhood Prototypes | | | | | | | |
| A. Make community involvement a criteria in considering new major commercial/retail development in neighborhood areas | Neighborhood Prototypes | ■ | | ■ | | | ■ | |
| B. Attract new <u>quality</u> employment to the central area of the city | Neighborhood Prototypes | ■ | | ■ | | | | |
| C. Encourage commercial rehabilitation by providing incentives in target areas. | Neighborhood Prototypes | ■ | | | ■ | | | |
| D. Create incentives to encourage employee owned or cooperative businesses | Neighborhood Prototypes | ■ | | | ■ | | | |
| E. Develop learning satellites in existing facilities or FOCUS Centers to increase knowledge and skills of neighborhood workforce | Neighborhood Prototypes | ■ | | | ■ | | | |
| F. Create or strengthen programs to assist small developers and nonprofit corporations in redevelopment efforts | Neighborhood Prototypes | ■ | | | ■ | | | |
| Initiative 6: Personal/Neighborhood Safety | Neighborhood Prototypes | | | | | | | |
| A. Integrate zoning categories to allow more mixed-use development | Neighborhood Prototypes | ■ | | | ■ | ■ | ■ | |
| B. Provide external house lighting grants | Neighborhood Prototypes | ■ | | | ■ | | ■ | |
| C. Expand neighborhood watch programs | Neighborhood Prototypes | | | | ■ | | ■ | |
| D. Develop visible and inviting storefront police centers | Neighborhood Prototypes | ■ | ■ | | ■ | | | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-------------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Initiative 7: Marketing Neighborhoods | Neighborhood Prototypes | | | | | | | |
| A. Create a special media task force aimed at achieving balanced reporting of neighborhood activities and issues | Neighborhood Prototypes | | | | ■ | | ■ | |
| B. Develop media/neighborhood partnership to market neighborhoods | Neighborhood Prototypes | | | | ■ | | ■ | |
| Initiative 1: Heart of the City Neighborhoods | Urban Core | | | | | | | |
| A. Commit 25% of the City's capital improvement funding to Heart of the City Neighborhoods | Urban Core | | ■ | ■ | | | ■ | |
| B. Adopt a general policy of supporting neighborhood down-zoning | Urban Core | ■ | | ■ | | | ■ | |
| C. Adopt a rehabilitation building code | Urban Core | ■ | | ■ | | | ■ | |
| D. Create a pool of low interest or no interest loans for basic upkeep and maintenance of residential property | Urban Core | | | | ■ | | | ■ |
| E. Continue the expansion of community policing | Urban Core | ■ | | ■ | ■ | | ■ | |
| F. Encourage neighborhoods to pursue aggressively the self-assessment program | Urban Core | ■ | | ■ | ■ | | ■ | |
| G. Reinforce and embrace mixed-use neighborhoods | Urban Core | ■ | | ■ | | | ■ | |
| H. Decentralize, modernize and aggressively manage Public Housing | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| I. Create Resurrection, Inc. to effectively deal with abandoned insitutional buildings | Urban Core | ■ | | | ■ | | ■ | |
| J. Create policies and guidelines protecting neighborhoods from unwanted development encroachment | Urban Core | ■ | | ■ | ■ | | ■ | |
| K. Create stringent policies and guidelines to protect neighborhoods from unwanted land uses | Urban Core | ■ | | ■ | ■ | | ■ | |
| L. Create a classification of Heritage Neighborhoods to help protect the character of existing neighborhoods | Urban Core | ■ | | ■ | ■ | | | |
| M. Adopt a new zoning classification related to neighborhoods | Urban Core | | | | | | | |
| N. Create higher density residential options based on historic Kansas city apartment models | Urban Core | | | | ■ | | ■ | |
| O. Implement and expand Clean Sweep Program | Urban Core | ■ | | | | | ■ | |
| Initiative 2: Mixed Use Centers | Urban Core | | | | | | | |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| A. Commit at least 3-5% of the City's capital improvement funding to the Mixed Use Centers | Urban Core | | ■ | ■ | | | ■ | |
| B. Target incentives to Mixed-Use Centers | Urban Core | ■ | | ■ | | | ■ | |
| C. Develop a series of prototypical Mixed-Use Centers in the first seven years of implementation of FOCUS | Urban Core | | ■ | | ■ | | | ■ |
| D. Create three Mixed-Use Center types: Small Neighborhood, Neighborhood and Multi-neighborhood | Urban Core | ■ | | ■ | | | | ■ |
| E. Adopt Urban Design Guidelines for Mixed Use Centers | Urban Core | ■ | | ■ | | | ■ | |
| F. Initiate Special Benefit Districts within the Mixed Use Centers | Urban Core | | | | ■ | | | ■ |
| G. Support the initiatives of the preservation plan for preservation and adaptive re-use of historically desirable buildings and amenities | Urban Core | ■ | | ■ | | | ■ | |
| H. Enhance security in Mixed-Use Centers | Urban Core | ■ | | | ■ | | | ■ |
| I. Concentrate investment in new urban amenities | Urban Core | | | ■ | | | ■ | |
| Initiative 3: Central Business Corridor | Urban Core | | | | | | | |
| A. Commit at least 5-10% of the City's capital improvement funding to the Central Business Corridor (CBC) | Urban Core | | ■ | ■ | | | ■ | |
| B. Implement multi-modal transportation in the CBC | Urban Core | | ■ | | ■ | | ■ | |
| - Implement light rail transit along the CBC in its first phase of development | Urban Core | | ■ | | ■ | | ■ | |
| - Create an intermodal transportation hub at a strategic location in the central city as a gateway to the city. | Urban Core | | ■ | | ■ | | ■ | |
| - Create and implement pedestrian and bicycle master plans. | Urban Core | ■ | | ■ | ■ | | ■ | |
| C. Invest in Great Streets in the CBC | Urban Core | | | ■ | ■ | | | |
| - Create new street standards to encourage pedestrian and bicycle use. | Urban Core | | | ■ | ■ | | | ■ |
| - Prioritize investment into streetscape in the CBC | Urban Core | | ■ | ■ | ■ | | ■ | |
| D. Restructure zoning laws to reflect existing conditions and encourage new development within the CBC. | Urban Core | ■ | | ■ | ■ | | ■ | |
| E. Adopt new Design Guidelines in the CBC | Urban Core | ■ | | ■ | | | ■ | |
| F. Riverfront/River Market District | Urban Core | | | | | | | |
| - Implement the Town of Kansas Urban Archaeological Park | Urban Core | | ■ | | ■ | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| - Establish a Kansas City History and Visitors Center to support tourism and education | Urban Core | ■ | | | ■ | | ■ | |
| - Encourage the development of Two Rivers Aquarium and Redevelopment of the Wharf Building | Urban Core | | ■ | ■ | ■ | | | ■ |
| - Develop the Riverfront with mixed-use development | Urban Core | | ■ | ■ | ■ | | | ■ |
| - Continue to support and enhance the River Market | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| - Encourage live-work loft development in the CBC | Urban Core | ■ | | ■ | ■ | | ■ | |
| - Invest in the revitalization of Columbus Park | Urban Core | | ■ | ■ | ■ | | ■ | |
| G. West Bottoms | Urban Core | | | | | | | |
| - Implement mixed-use zoning in the west bottoms | Urban Core | ■ | | ■ | | | | ■ |
| - Develop new business in the Stockyards area | Urban Core | ■ | | ■ | ■ | | | ■ |
| - Encourage mixed-use development north of 13th Street in the Agricultural District | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| - Create a physical connection to the River Market and Riverfront | Urban Core | | ■ | | ■ | | ■ | |
| - Create a shuttle service connecting Downtown with the West Bottoms | Urban Core | | | | ■ | | | ■ |
| H. East of the Loop District | Urban Core | | | | | | | |
| - Encourage new business development in Paseo West | Urban Core | ■ | | ■ | ■ | | ■ | |
| - Encourage infill and rehabilitation residential development in Parkview/Downtown East | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| I. 18th and Vine District | Urban Core | | | | | | | |
| - Encourage mixed-use development on the 18th Street Corridor | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| - Utilize Municipal Baseball Stadium Site | Urban Core | ■ | | | ■ | | ■ | |
| - Encourage mixed-use development on the 18th Street Corridor | Urban Core | ■ | ■ | | | | | |
| J. Crossroads District | Urban Core | | | | | | | |
| - Create Crossroads Circle to connect the Westside with 18th & Vine | Urban Core | | ■ | | ■ | | ■ | |
| - Encourage development of Central Square | Urban Core | | ■ | | ■ | | | |
| - Encourage further development of the Gallery District | Urban Core | ■ | | ■ | | | ■ | |
| - Encourage live-work development | Urban Core | ■ | | ■ | ■ | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| - Encourage further redevelopment of the Southwest Boulevard Corridor | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| K. Crown Center/Union Station District | Urban Core | | | | | | | |
| - Create a festival area in Penn Valley Park | Urban Core | | ■ | | ■ | | | ■ |
| - Restore Liberty Memorial and expand its museum | Urban Core | | ■ | | ■ | | ■ | |
| - Encourage the development on the north side of Washington Square Park | Urban Core | ■ | ■ | ■ | ■ | | | |
| - Encourage continued growth of Crown Center | Urban Core | ■ | | ■ | | | | |
| - Encourage the continued growth of Hospital Hill | Urban Core | ■ | | ■ | | | | |
| - Re-evaluate the need for the 23rd Street Connector relative to multi-modal transit initiatives | Urban Core | ■ | | | ■ | | | |
| - Create a multi-modal transportation hub and visitors center | Urban Core | | | | ■ | | | ■ |
| L. Midtown District | Urban Core | | | | | | | |
| - Implement the Midtown Marketplace | Urban Core | | ■ | | ■ | | ■ | |
| - Encourage redevelopment along Armour Blvd | Urban Core | ■ | ■ | ■ | ■ | | | |
| - Improve Linwood Boulevard Streetscape | Urban Core | | ■ | | ■ | | | |
| - Implement mixed-use zoning in the midtown district | Urban Core | ■ | ■ | ■ | | | ■ | |
| - Encourage large scale development in midtown | Urban Core | ■ | | ■ | | | ■ | |
| - Locate light rail stops to promote higher density development | Urban Core | | | | ■ | | | ■ |
| M. Plaza/Westport District | Urban Core | | | | | | | |
| - Reinforce the Plaza Plan and create a new Westport Plan | Urban Core | ■ | | ■ | ■ | | ■ | |
| - Continue upgrade of Main Street and enhance the Brookside Connector | Urban Core | | ■ | ■ | ■ | | ■ | |
| - Develop light rail stations with accessible connections to the Plaza and Westport | Urban Core | | ■ | | | | ■ | |
| - Encourage high density residential development between Westport and the Plaza | Urban Core | ■ | | ■ | ■ | | ■ | |
| - Encourage Development of the St. Luke's Hospital Campus | Urban Core | ■ | | ■ | | | ■ | |
| N. Brush Creek Corridor | Urban Core | | | | | | | |
| - Complete Brush Creek improvement east of Troost | Urban Core | | ■ | | ■ | | ■ | |
| - Develop light rail stations with accessible connections | Urban Core | | ■ | | ■ | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|---|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| - Support activities of the corridor's institutions & not-for-profits | Urban Core | ■ | | ■ | | | | |
| - Create higher density residential development based upon historic Kansas City Models | Urban Core | | ■ | ■ | | | ■ | |
| Initiative 4: Downtown Loop | Urban Core | | | | | | | |
| A. Commit 10-15% of the City's capital improvement funding to the Downtown Loop | Urban Core | | ■ | ■ | | | ■ | |
| B. Initiate a Special Benefits District or Community Improvement District for the Downtown Loop | Urban Core | | | ■ | ■ | | ■ | |
| C. Restructure zoning laws to reflect existing conditions and encourage new development within the Downtown Loop | Urban Core | ■ | | ■ | | | ■ | |
| D. Adopt Downtown Urban Design Guidelines | Urban Core | ■ | | ■ | | | ■ | |
| E. Implement multi-modal transit system within the Loop and connect to transit systems of the metropolitan area | Urban Core | | ■ | ■ | ■ | | ■ | |
| F. Augment existing residential alternatives and create a new residential district in the northeast quadrant | Urban Core | | ■ | ■ | ■ | | ■ | |
| G. Create an entertainment-based nightlife Downtown by clustering new entertainment facilities inside the Loop and near the Convention District | Urban Core | | ■ | ■ | ■ | | ■ | |
| H. Create a series of gateways to the Loop at the entrances and bridges including the development of commercial structures spanning the highways at two critical points | Urban Core | | ■ | ■ | ■ | | | ■ |
| I. Enhance security within the Loop | Urban Core | ■ | | ■ | ■ | | ■ | |
| J. Create a Downtown Festival | Urban Core | ■ | | ■ | ■ | | | ■ |
| K. Create a new Performing Arts Center within or adjacent to the Loop | Urban Core | | ■ | ■ | ■ | | ■ | |
| L. Reserve space for future expansion of the Convention Center | Urban Core | | ■ | ■ | | | ■ | |
| M. Reserve space for a new arena adjacent to the Loop in case demand warrants its construction | Urban Core | | ■ | ■ | | | ■ | |
| N. Add new skywalks and tunnels to complete existing network in highest density areas and convention district | Urban Core | | ■ | ■ | ■ | | | ■ |
| O. Support the initiatives of the preservation plan for preservation and adaptive re-use of historically desirable buildings and amenities | Urban Core | | | ■ | | | ■ | |
| P. Create America's cleanest downtown | Urban Core | | | ■ | | | ■ | |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Appendix A- Restructuring Zoning | Urban Core | | | | | | | |
| Restructure zoning laws to reflect existing conditions and encourage new development | Urban Core | ■ | | | ■ | | ■ | |
| Appendix B - Design Guidelines | Urban Core | | | | | | | |
| Adopt Urban Design Guidelines for the Downtown Loop, CBC, Mixed use Centers | Urban Core | ■ | | ■ | | | ■ | |
| Appendix C-Historic Preservation | Urban Core | | | | | | | |
| Strengthen and update ordinances and policies that impact historic preservation | Urban Core | ■ | | ■ | ■ | | ■ | |
| Use incentive programs to support preservation and reuse efforts | Urban Core | ■ | | ■ | | | | ■ |
| Encourage the preservation and adaptive re-use of historically desirable buildings and amenities | Urban Core | | | ■ | | | ■ | |
| Continue the prioritization of historic structures to ensure preservation of the most significant | Urban Core | | | ■ | | | ■ | |
| Support efforts for preservation and adaptive re-use using the downtown Special Benefit District | Urban Core | | | ■ | | | ■ | |
| Establish a Kansas City History and Visitors Center to support heritage tourism and education | Urban Core | | | | ■ | | | ■ |
| Appendix D-Multi-Modal Transit System | Urban Core | | | | | | | |
| Create a 'Safe Streets' Plan to reduce the opportunity for crimes against pedestrians | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| Implement pedestrian safety features such as dedicated pedestrian signal cycle refuge areas, ADA compliant curb ramps, tighter turning radii and good signage | Urban Core | | ■ | | ■ | | ■ | |
| Adopt an ordinance which gives the pedestrian right-of-way over the automobile in appropriate districts | Urban Core | | | ■ | | | ■ | |
| Establish pedestrian level service standards and pedestrian traffic analysis guidelines that require public and private improvements to meet minimum standards | Urban Core | | | ■ | | | ■ | |
| Develop hike/bike trails in conjunction with the MARC Bicycle Master Plan | Urban Core | | ■ | | ■ | | | ■ |
| Create a transit related mortgage to provide better home loan rates to households with one or no car | Urban Core | | | ■ | ■ | | | ■ |

| FOCUS Initiatives Matrix | | | | | | | | |
|--|-----------------------|-------------------------|----------------|-----------------------|----------------|--------------------|--------------------|-------------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Create cooperative ownership of cars by residential organizations to provide access at reduced cost for trips outside the transit system | Urban Core | | | | ■ | | | ■ |
| Create tax incentives for households with one car or no car | Urban Core | | | ■ | | | | ■ |
| Create Transit Impact Zones | Urban Core | | ■ | ■ | | | ■ | |
| Target incentives along light rail corridor and use light rail as a development catalyst | Urban Core | | | ■ | | | ■ | |
| Create Special Business Districts to support the common needs of businesses in and around transit impact zones | Urban Core | | | | ■ | | | ■ |
| Use SBD's to create a security network of unarmed Community Service Representatives along the Corridor | Urban Core | | | | ■ | | | ■ |
| Target incentives programs to develop affordable housing along light rail corridor | Urban Core | | | ■ | | | ■ | |
| Provide public parking along transit corridors as well as at terminal stations to allow for Park-n-Ride users | Urban Core | | ■ | | ■ | | | ■ |
| Develop an integrated feeder bus, bicycle and pedestrian system that feeds into a central transit service such as light rail transit | Urban Core | | | | ■ | | ■ | |
| Create an Interim Shuttle Bus System on the LRT alignment | Urban Core | | | | ■ | | ■ | |
| Implement light rail transit incrementally | Urban Core | | | | ■ | | | ■ |
| Extend the dedicated transit system across the Missouri River | Urban Core | | | | ■ | | | ■ |
| Integrate MARC's Bicycle Transportation Plan | Urban Core | | | | ■ | | ■ | |
| Integrate critical human services into Multi-Modal Transit Facilities | Urban Core | | | ■ | ■ | | ■ | |
| Appendix E- Great Streets and Boulevards | Urban Core | | | | | | | |
| Adopt Great Streets Classifications set forth in the Urban Core Plan | Urban Core | ■ | | ■ | | | ■ | |
| Target investments and incentives along Great Streets | Urban Core | | ■ | ■ | | | ■ | |
| Reinforce and extend the Boulevard system | Urban Core | | ■ | ■ | ■ | | ■ | |
| Landscape existing highways within the Core to emulate boulevards | Urban Core | | ■ | | ■ | | | ■ |
| Create a Great Streets Festival Series to increase awareness of particular districts and cultural awareness | Urban Core | ■ | | | ■ | | | ■ |
| Appendix F- Clean City Initiatives | Urban Core | | | | | | | |
| Plan, fund and implement maintenance and upgrade of water utilities | Urban Core | ■ | ■ | ■ | ■ | | ■ | |
| Implement Clean Sweep Program | Urban Core | ■ | ■ | | ■ | | ■ | |
| Create graffiti control program | Urban Core | ■ | | | ■ | | | ■ |

| <i>FOCUS Initiatives Matrix</i> | | | | | | | | |
|--|----------------|------------------|---------|----------------|---------|-------------|-------------|------|
| Initiative/Action | Source | Expenditure Type | | Type of Action | | | Initiate by | |
| | Component Plan | Operating | Capital | Policy | Project | Legislative | 2000 | 2005 |
| Create a program to control private signage | Urban Core | ■ | | ■ | ■ | ■ | | ■ |
| Implement a multi-modal transit system | Urban Core | ■ | | ■ | ■ | | ■ | |
| Appendix G- Incentive Targeting | Urban Core | | | | | | | |
| Prioritize use of incentives to the critical areas designated by this plan | Urban Core | | | ■ | | | ■ | |

A P P E N D I X E

Community Infrastructure Committee Financing Subcommittee

The Finance Subcommittee of the Community Infrastructure Committee (CIC) began its deliberations on January 13, 1997. At the first meeting, three objectives were determined to be the priorities of the group. The report that follows summarizes the subcommittee's work toward addressing the following objectives:

- Review and critique Kansas City's existing capital funding mechanisms
- Investigate and recommend alternative funding mechanisms
- Develop policies guiding the use and management of all funding mechanisms

Review and critique Kansas City's existing capital funding mechanisms

The following existing revenue sources provide the annual funding for the City's capital improvements and maintenance program for general municipal funds:

- General Fund Revenues
- Park Special Revenues
- Motor Fuel Tax
- Trafficway Maintenance
- Gaming Revenues
- Sales Taxes

The FY 1998 program for general municipal program totals over \$64 million. Although the overall level of funding for the program has increased considerably from the FY 1991 adopted budget level of \$36.5 million, the growth can be attributed primarily to only a few significant additions.

The first was the reversion of the school sales tax to the City in 1994, which provides an additional \$7.2 million a year for neighborhood conservation projects. The second was programming the full amount of gaming revenue beginning in FY 97 which adds over \$11 million to the program budget.

Other than those major influxes of new money (use tax was in and subsequently out of the budget) growth in Kansas City's existing capital funding mechanisms has been stagnant. Only the sales taxes have shown consistent growth from year to year averaging approximately four percent since FY 1991.

The current capital improvement program is constrained by contractual and debt service obligations, the need to complete projects initiated years ago, and the need to continue funding the existing capital improvements and deferred maintenance effort. The amount of flexibility within the program has continued to diminish with each passing year. The most recent example is the purchase of the streetlight system from Kansas City Power and Light Co. which may commit either the sales tax, use tax or gaming revenues to pay debt service on the bonds.

Another weakness is the lack of formal policies stating the intent of city leadership to properly fund the capital program by fixing annual growth levels for specific revenue streams in future years. Currently, the capital improvements program competes with operating programs for funding.

The City should identify a means of funding the three broad categories of capital improvements: neighborhood projects, city-wide projects, and

strategic initiatives with strategic initiatives consisting of major individual projects or a collection of several related projects of significant cost and city-wide importance. Sources of funding must be tailored to the nature of specific projects and strategic initiatives must have their own specific and dedicated source of revenue to fund them.

Within the six major categories some opportunity exists to enhance existing revenues. With few exceptions all will require either legislative action or a public vote. Based on the City's recently released reports on individual and business tax burden, all of the suggestions regarding either revenue enhancements or alternative revenue measures would need to be evaluated as to their effect on taxpayers prior to any change in legislation or a public vote.

General Fund Revenues

Property Tax

Property taxes are the fourth largest revenue source for the City. The City has a combined property tax levy of \$1.39 per \$100 of assessed valuation. The combined levy is broken into the following individual levies:

| Fund | Levy |
|-------------------|---------------|
| General | \$.70 |
| Public Health | .50 |
| Museum | .02 |
| Debt Service | .17 |
| Total Levy | \$1.39 |

Of the four individual levies, all are earmarked for a specific purpose except the general purpose levy. The general purpose levy could be increased by \$0.10 per \$100, thereby raising approximately \$4.2 million in additional revenue. These dollars could be used to increase maintenance funding.

Earnings and Net Profits Tax

The earnings and profits taxes are the largest combined revenue source for the City approximating \$137 million in FY 1998. The earnings tax is currently levied at its maximum level of one percent. Increasing this tax would require both state legislation and voter approval. An increase of one-half percent on earnings would raise approximately \$60 million in additional revenue.

The net profits tax is that part of the earnings and profits tax that applies to businesses. Like the earnings tax, an increase in this tax would require both state enabling legislation and voter approval. Though difficult, increasing this tax would be beneficial to the city. A one percent increase would produce approximately \$18 million in additional revenue.

Utility Taxes

Utility taxes consist of license fees and franchise taxes on electricity, natural gas, telephone, cable television, and steam usage within the city. Utility taxes are the third largest source of revenue for the City totaling over \$64 million in FY 1998. An across the board one percent increase in the Electric, Natural Gas and Telephone utility tax rates would generate approximately \$2.6 million in additional revenues.

Park Special Revenues

Park Special Services Funds

Park special revenues dedicated to capital improvements include monies derived from the operations of the Kansas City Zoo, golf courses and tennis centers. Only \$650,000 from these sources will be used for capital improvements in FY 1998. Because of the enterprise nature of these operations it is unlikely that a marked increase from these sources will be forthcoming as no appreciable gains to fund balance occur on an annual basis.

Park Maintenance Special Assessment

The park maintenance special assessment is established in the city charter to provide funds for maintain, adorn, construct or repair the city's parks, parkways and boulevards. A levy rate of \$0.50 per \$100 assessed valuation on land value only. This special assessment is expected to raise \$3.7 million during fiscal 1998. By vote of the people the rate can be increased for the above stated purposes. Doubling the current levy rate to \$1.00 per \$100 assessed valuation increase would provide \$3.7 million in additional revenue that could be used for capital improvements rather than operations.

Motor Fuel Tax

The currently imposed a tax of \$0.17 per gallon will return to the 1992 rate of eleven cents per gallon beginning April 1, 2008. The majority of the \$16 million deposited in the Motor Fuel Tax Fund from the tax (and other fees) is used in the operating budget for street maintenance, snow removal, traffic signals, etc.

The portion dedicated to the street preservation program varies from year-to-year based on the operating needs of the City and the relative funding available from other sources. Talk is underway at the State seeking to extend the life of the six-cent increase in the tax. Allocations to the capital improvements program will continue to be done on a funds availability basis -- the FY 1998 total was just under \$1 million.

Trafficway Maintenance

The trafficway maintenance special assessment is established in the city charter to provide funds for repairs and maintenance of the city's trafficways. The present levy rate is \$0.25 per \$100 assessed valuation on land value only. This special assessment is expected to raise \$1.85 million during fiscal 1998. The City Council can increase the rate on this source to any amount it deems necessary with voter approval. Doubling the current levy rate to \$0.50 per \$100 assessed valuation increase would provide \$1.85 million in additional revenue for the street preservation program.

Gaming Revenues

Monies generated from gross receipts tax and the admissions fee at the City's three casinos should continue to be earmarked for capital improvements and deferred maintenance. This revenue source is projected to average approximately \$12 million a year for the next few years. Of that total, as much as half (or \$6 million) may be needed over a number of years to pay for streetlight bond related debt service. Another \$1.5 million a year may be dedicated to pay for a lease-purchase of replacement fire equipment. The remainder of this money, and any growth over the projections, should not be further limited.

Sales Taxes

Due to the overwhelming capital improvement and deferred maintenance needs of the City, it is imperative that the two existing one-half cent sales taxes scheduled to expire on December 31, 2000 be renewed and continue to be earmarked for capital improvements. Sales taxes are the second largest source of general municipal revenue totaling over \$86 million in FY 1998. Of that total, two-thirds or approximately \$60 million is dedicated to funding both neighborhood and city-wide capital improvements and debt service for the Sales Tax Bond Program. Loss of these funds would cripple the capital improvement program if not replaced by some other source.

The city also has the ability, subject to voter approval, to levy three other additional one-half cent sales taxes (each one-half cent would generate approximately \$30 million in additional revenue):

- Capital improvement purposes (RSMo Sec. 94.577).
- Storm water control, local parks or both (RSMo Section 644.032)
- Transportation purposes (RSMo Chapter 94.600-94.655)

Use Tax

Between August, 1992 and March, 1995 a total of \$17,400,627 in use tax was deposited in the City treasury. Because of ongoing legal proceedings involving the potential for the City to repay all of the tax collected (plus interest) during that period, current collections are being held in abeyance pending the outcome of the litigation.

Once the fate of the use tax is determined, and pending any need to assist with payment of streetlight bond related debt, it should prove to be a reliable income stream with the potential to add approximately \$5.5 million a year to the capital improvements budget. This estimate, of course, assumes renewal of the existing sales taxes.

Because use tax works in concert with sales tax any enhancements in the sales tax rate would proportionately affect use tax revenues. A one-half percent increase in the use tax would generate approximately \$3 million annually.

Investigate and recommend alternative funding mechanisms

After a thorough review of alternative funding possibilities it was decided that there is no “silver bullet” which is going to solve Kansas City’s capital funding problem. However, there are several suggestions for increasing the funds available for capital improvements. Most of these ideas either involve redirecting funds which currently supports another program (e.g., using CDBG for capital improvements) or do not have the potential for generating significant revenue. A summary of the creative approaches which were generally accepted by the subcommittee are as follows:

Hotel/Motel Tax

Hotel/Motel tax is imposed for the rental of rooms for transient guests. The current rate for the tax is 5.5 percent and it is expected to generate \$10.2 million in FY 1998 to be used for Bartle Hall operations, Convention

and Visitors Bureau and the Neighborhood Tourist Development Fund (NTDF).

The City should consider increasing the hotel/motel tax to 10 percent, with the entire increased revenue dedicated to the improvement of structures which are legitimate tourist attractions (i.e., American Royal, Bartle Hall, Starlight Theater, Nelson-Atkins Gallery). Increasing the Hotel/Motel tax to 10 percent would generate approximately \$4.1 million in additional revenues of which \$400,000 would be dedicated to NTDF. Enabling legislation and a public vote would be required to increase this tax.

Impervious Surface Fees

In order to relieve additional stress on the general municipal funds capital budget the City should support separating stormwater management from that of sanitary sewers. To accomplish this feat, as suggested by the Water Services Department, a public vote should be held to increase the impervious surface fees to match run-off as determined by the Geographical Information System (GIS) and to properly fund completion of the stormwater master plan and ongoing maintenance of the City's watersheds.

Community Development Block Grants (CDBG)

The City could consider redirecting a portion of its CDBG funding (approximately \$11.7 million in FY 1998) to the capital improvements program.

Facility Use Charges

The City could implement facility use charges (rental payments) for all users of city facilities (internal and external) and dedicate this money to the maintenance and upkeep of those facilities.

Sale of Public Assets

A one-time infusion of funds could be garnered by selling one of the City's smaller airports (Richards-Gebaur or Downtown). Additionally, the Water Services or convention facilities could also be potential candidates for sale. Of course, the sale of any these facilities translates into a loss of control for the City (water and sewer rates, landing fees, convention bookings, etc.) and any potential income from the enterprise operations such as administrative service charges would have to be made up elsewhere in the budget.

Special Districts

Encourage the use of NIDs, SBDs, CIDs and additional special assessment programs to leverage scarce City resources.

Neighborhood Improvement Districts (NIDs)

NIDs may be formed by the governing body of the city if a petition is signed by a 2/3 majority of the property owners or through an election. The City may incur NID debt not to exceed 10 percent of its assessed valuation which would be paid off through annual special assessments. Shortfalls in assessment revenue would be made up by the general revenues of the City. This law provides a way for residents to receive desired public improvements with the cost of the project being spread over a number of years, making improvements more affordable.

Special Business Districts (SBDs)

Cities are allowed to form SBDs upon petition of at least one property owner. A business district is formed by city ordinance to establish the district and define its limits. Public improvements in the district are assessed against the property within its boundaries.

Community Improvement Districts (CIDs)

Community Improvement District Act authorizes creation of a special benefit district to allow private parties to assess and tax themselves for community improvements and services. A petition to create a CID must be approved by the governing body of a city and must specify the size, area, and duration of the district, the maximum rate of taxes which may be imposed, and the method and maximum rate of assessment.

Impact Fees

A number of methodologies exist to ensure that the additional operating and maintenance costs to the city created by new development are met. One such method is the use of impact fees. The City could take a more proactive role in expanding its use of impact fees to shift the burden and service costs onto those who create the need. An impact fee strategy could be adopted to incent development in areas adjacent to already developed areas or provide a negative incentive to do otherwise. The City would need to work very closely with the development community to obtain their input in building the most equitable impact fee system.

Develop policies guiding the use and management of all funding mechanisms.

Fund Capital Maintenance Adequately from Operating Funds

By performing a regular inventory of its assets the City is able to quantify many of its deferred maintenance and capital improvement needs. The

table that follows identifies the current preferred level of capital maintenance by category based on the most recent data compiled. Using the preferred level and adding an inflation factor over time an estimated level can be projected for ten years from now.

Based on this simple premise, funding for capital maintenance at the preferred level should grow by approximately \$5 million annually through FY 2008 to a level which would be adequate considering inflation. (Note: The FY 1998 budget for capital maintenance is considerably less than the preferred level)

All capital maintenance should be funded with operating funds other than the half-cent sales taxes. Additional resources should be used to address the backlog in each maintenance category. After FY 2008, The city should resolve to increase capital maintenance funding each year by an amount sufficient to cover both inflation and new projects which must be maintained.

A PLAN FOR GOVERNANCE

| Capital Maintenance Category | FY 1998 Preferred | FY 2008 Estimate* |
|--|--------------------------|--------------------------|
| Street Resurfacing, repairs, marking, shoulders and guardrails | \$10,000,000 | \$13,440,000 |
| Minor Bridge Rehabilitation | \$9,500,000 | \$12,768,000 |
| Boulevard Resurfacing | \$4,000,000 | \$5,376,000 |
| Municipal Building Rehabilitation | \$13,200,000 | \$17,740,000 |
| Traffic Signal Improvements | \$2,100,000 | \$2,822,000 |
| Traffic Sign Maintenance | \$1,200,000 | \$1,612,800 |
| City Hall - Life/Safety | \$400,000 | \$537,600 |
| Park Building Repair | \$1,000,000 | \$1,344,000 |
| Curb cuts and catch basin repairs | \$700,000 | \$940,800 |
| City-owned curbs and sidewalks | \$100,000 | \$134,400 |
| Ornamental fountain restoration | \$150,000 | \$191,120 |
| Monument restoration | \$120,000 | \$161,280 |
| Swimming pool restoration | \$850,000 | \$1,142,400 |
| Underground storage tank compliance | \$450,000 | \$604,800 |
| ADA compliance | \$1,000,000 | \$1,344,000 |
| Manual on Uniform Traffic Control Devices compliance | \$350,000 | \$470,400 |
| Asbestos and lead abatement | \$350,000 | \$470,400 |
| Liberty Memorial restoration | \$1,000,000 | \$1,344,000 |
| TOTAL | \$46,920,000 | \$63,060,480 |

** Estimated categorical cost based on three percent (3%) inflation rate compounded on an annual basis.*

Catch Up the Worst Deferred Maintenance Problem -- Bridges

According to the City Engineer's bi-annual bridge inspection report the City is falling further and further behind in maintaining its inventory of bridges. Deferred maintenance and inadequate funding has continued to move additional items onto the replacement list.

One possible strategy to address this problem is to commit 25 percent of the money from the renewal of the two current half-cent sales taxes to fund a 10-year major bridge replacement and repair program. Another would be to submit to the voters a special ten-year one-quarter cent sales tax increase dedicated to bridges along with the renewal of the two existing sales taxes.

The result of either of the options is the same. A total of \$15 million would be available for a 10-year period. This \$150 million could be used to match federal and other leveraged funds in order to eliminate the current backlog.

This plan, of course, is contingent upon securing sufficient annual maintenance funding (ranging from \$9.5 million to \$12.8 million per year) from operating funds to keep the current situation from becoming worse.

Provide a Reasonable Level of Funding for Completion of Ongoing Projects and Funding of New Requested Projects

As previously stated, the City should commit to renewing the two existing half-cent sales taxes for capital improvements before their expiration in the year 2000. If deferred maintenance is addressed through other resources a total of \$30 million to \$45 million per year (depending on method of funding bridge program) would be available for city-wide capital projects and \$15 million per year could be dedicated to in-district neighborhood projects.

This dedication to "true" capital projects would provide a reasonable level of funding for completion of ongoing projects, allow full use of leveraging funds and in-kind contributions, and enable the construction of new priority projects.

Prior to renewal the City should add no new debt burden to the sales taxes and strictly limit the amount of pay-as-you-go capital resources dedicated to debt service once they are renewed.

Protect Capital Improvements Funding from Competition

In the event that the City experiences a downturn in the economy or some other unforeseen event, funding for capital improvements should be maintained at the recommended levels. Further, operating budget expenses should not be shifted to funding from resources dedicated to capital improvements. This strategy may require over time, that the City Council earmark specific funding sources (i.e., property taxes) to ensure adequate funding for capital maintenance.

Protect Kansas City's Credit Rating and Limit the Per Capita Debt Burden on Kansas Citizens

Kansas City, Missouri has enjoyed an AA credit rating on its general obligation debt for over 50 years. It has been able to do so by managing its finances through conservative budgeting and by living within its means despite state imposed revenue restrictions. Buoyed by a favorable economy in recent years, the City has been able to make positive additions to operating reserves. General fund balance has increased from 4.44 percent in FY 1991 to 6.93 percent as of April 30, 1996 (April 30, 1997 is expected to be 6.97 percent).

During the same period, the City's net direct debt (i.e., total debt exclusive of overlapping and enterprise debt) more than doubled. It rose from approximately \$219.5 million in FY 1991 to approximately \$550.8 million as of April 30, 1996 (April 30, 1997 is expected to be \$564.7 million).

Among the projects financed by debt during this period were: Brush Creek, American Royal, Bartle Hall, downtown hotels, Civic Mall and Jazz Hall of Fame.

One of the goals of the Community Infrastructure Committee is to maintain and, if possible improve the City's general obligation bond rating in order to minimize borrowing costs and preserve access to credit markets. A possible strategy to meet this goal is to closely monitor and manage debt position to ensure that it is not out of balance with the other factors used to evaluate the City's creditworthiness. Debt position must be evaluated simultaneously with financial position, economic condition and management to determine the strengths and/or weaknesses of the City's credit.

Debt Ratios

Because of the City's heavy recent reliance on debt financing to jump start many major projects, debt position has moved from a potential strength to a potential weakness within the City's credit outlook. Credit rating

agencies often use ratios to evaluate an entity's debt position relative to its capacity to pay. The following three ratios are commonly used:

- Debt Per Capita
- Debt as a Percentage of Market Value
- Debt Service as a Percentage of General Municipal Expenditures (GME)

Through close evaluation of these benchmarks it is possible for the City to regulate its relative debt position. This will enable management to set acceptable debt parameters to ensure the flexibility needed to meet the long-term capital improvements needs of the community. Additionally, the use of the benchmarks may be phased-in over a transitional period so as to minimize the impact on current and anticipated projects. A description and multi-year chart for each debt management ratio follow. Common to each ratio section are the following:

- The period from 1991 to 1996 for City debt position and the medians is based on historical data.
- Projecting forward from FY 1998, the City's debt position is calculated two ways:
 - (1) Including all debt currently on the books plus all that has been approved by a vote of the people or legislatively (i.e., streetlights, fire lease purchase, etc.) and;
 - (2) Including all debt listed in the first point plus all items currently under consideration (i.e., AMC/Power and Light, Midtown II, Hodge Park Golf Course, etc.).
- The projected Moody's medians are grown at a conservative two percent rate.

Net Direct Debt Per Capita

Net direct debt per capita measures a community's debt burden in relation to its population. The 1996 Moody's median for cities our size was \$1,081; Kansas City was at \$1,228. Over the historical period (1991-96) the City's ratio grew at an average annual growth rate of 22.45 percent.

This ratio is often computed as either a percentage of revenues or expenditures. As Kansas City must always present a balanced budget, and generally does not rely heavily on contributions from fund balance on an annual basis to do so, the use of either revenues or expenditures is appropriate for calculating the City's ratio.

Over the historical period (1991-96) the City's ratio grew at an average annual growth rate of 10.65 percent. General municipal expenditures (excluding debt) grew at an average annual growth rate of 2.81 percent.

Net Direct Debt as a Percentage of Market Value

Net direct debt as a percentage of market value measures the burden that all tax-supported debt places on a particular tax base. The 1996 Moody's median for cities our size is 2.3 percent. Over the historical period (1991-96) the City's ratio grew at an average annual growth rate of 20.68 percent.

Net Direct Debt Service as a Percentage of General Municipal Expenditures

Net direct debt service as a percentage of operating expenditures measures the burden that servicing a jurisdiction's debt places on the operating budget. According to *Evaluating Financial Condition: A Handbook for Local Government*, as published by the International City Management Association (ICMA), "debt service burden exceeding 20 percent of operating revenues is considered a potential problem; 10 percent is considered acceptable.

Targets and Caps

A method for phasing-in the use of debt management ratios as part of an overall debt policy is to set both "targets" and "caps" for each ratio. A target would be the desired state to be achieved over time. A cap would be the upper limit or warning signal that debt position may be out of balance with the other factors used to evaluate the City's creditworthiness. A cap in this context could be used as a tool to assist in the decision-making process regarding the issuance of additional debt although it would in no way restrict or preclude a particular issue.

A reasonable target for debt per capita and debt as a percentage of market value would be to meet Moody's published median for cities with populations between 300,000 to 499,999. The target for debt service as a percentage of expenditures would be the percentage that ICMA's handbook for evaluating financial condition considers to be acceptable.

A single debt cap could be set for the City by averaging its current debt position as a percentage value relative to the three targets. The table that follows provides hypothetical data to illustrate how the cap might work. The second column of the table represents the desired state for each debt benchmark at a certain point in time. The third column represents a

snapshot of the City's debt position either at year-end or concurrent with a particular bond issue. The final column provides the value of KC's debt as a percentage of the target.

Consolidated Debt Cap Calculation

| | Target | KC Debt | KC Debt as % of Target |
|--------------------------|---------|---------|---------------------------|
| Debt Per Capita | \$1,200 | \$1,500 | 125% |
| Debt as a % Mkt. Val. | 2.5% | 3.0% | 120% |
| Debt as a % of GME | 10% | 15% | 150% |
| Average for three ratios | | | 132% |
| Cap or Warning Signal | | | 120% |

By averaging the three percentages to compare to a composite cap a broad perspective of the City's debt position is achieved by simultaneously comparing debt position to population, property value and budget. If the City's current or proposed debt position totals in excess of the recommended warning signal it may indicate the need to phase or delay particular projects in order to properly align the City's debt position over the long-term.

Several of the factors used to evaluate the City's debt position are largely out of its control including: natural disasters, population growth or decline, changes in economic conditions and/or in market value of property. However, management of financial resources including budgeting, fund balance stewardship and use of debt financing are clearly under the City's purview.

By managing its debt position through institution of targets and caps the City may demonstrate a disciplined, thoughtful approach toward an important evaluation factor under its control. This approach will also ensure future flexibility which will allow the City to be opportunistic in regard to its use of debt financing for both infrastructure and new devel-

opment needs. The CIC recommends the following consolidated cap for the City's debt ratios to be achieved over the next ten years.

| | | |
|----|-------------|------|
| FY | 1998-2001 - | n/a |
| FY | 2002-2006 - | 120% |
| FY | 2007 - | 110% |

On an annual basis, and as part of each new debt issue, a comprehensive analysis of the City's debt position should be performed. Part of that analysis debt would involve comparing the City's debt position to the desired targets and the proposed cap. Over the course of the next ten years, if there are changes in any of the factors outside the control of management (i.e., deregulation of the utility industry or nonrenewal or reassignment of sales tax to another entity) the proposed caps for each period would need to be revisited.

Additional Debt Policy Recommendations

General Credit of the City

The City should strive to limit all pledges (moral or otherwise) on the general credit of the City in order to maintain flexibility within its debt position.

Overlapping Debt

The City should cooperate and coordinate to the extent possible debt issuances with overlapping jurisdictions (i.e., counties, school districts, junior college, etc.) who share a common tax base in order to minimize the tax impact on its citizens.

Electoral Debt

The City should continue to issue electoral debt (i.e., general obligation (G.O.) and revenue bonds) in accord with state statutes and within the limitations on the general credit of the City. In order to preserve general purpose G.O. authority an additional City restriction may need to be considered for residential and commercial neighborhood improvement (NID) bonding authority.

Non-Electoral Debt

Debt approved without the consent of the citizens of the City should be limited to conform with limitations on the general credit of the City and at no time should exceed 50 percent of the net direct debt of the City. This includes, but is not limited to, debt issued for (and guaranteed by) the City by Kansas City Municipal Assistance Corporation (KCMAC), Land

Clearance for Redevelopment Authority (LCRA) and conduit issuers such as Missouri Development Finance Board (MDFB).

Cash vs. Debt Funding

The City should seek to attain a goal of dedicating 20 percent of general municipal expenditures to capital improvements. Cash funded capital improvements should continue to receive a minimum of 10 percent and debt service payments should be limited to a maximum of 10 percent (to be achieved over time).

Integration of Capital Planning and Debt Financing Activities

The City should seek to integrate its capital planning and debt financing activities such that new debt issues are considered as part of the annual planning process. Opportunistic debt issuances would be considered outside the annual planning process only when accompanied by an operating and maintenance pro-forma. If approved, the new debt would serve as an amendment to the multi-year plan.

Delegation of Authority

The City Council should formally delegate authority for structuring and debt program management issues to the Director of Finance and his/her designee(s). Additionally, the Director of Finance should prepare a set of guidelines for debt program management per the Recommended Practices for State and Local Governments as published by the Government Finance Officers Association (GFOA) in March of 1997.

Other Financial Policies

Operating and Maintenance Pro-formas

Operating and maintenance pro-formas should be required for projects costing in excess of \$500,000. These pro formas should reflect the total fiscal and economic impact of the project and whether or not further infrastructure needs will be generated as a result of the project. It should also identify the cost of operating and maintaining the project and the source of revenues to fund those needs.

Capital Projects Reserve Fund

The City should maintain a capital projects reserve fund the purpose of which is to fund capital improvements and capital equipment having an expected useful life in excess of 10 years. Revenues for the fund would come from the sale of real property assets and reimbursements from other governmental agencies for the prior purchase of same. Additional income would be derived in the form of earnings from bond proceeds in excess of needs as defined by the bond documents, if any.

A PLAN FOR GOVERNANCE

Closing Resolution

Each year, in conjunction with the annual ordinance to balance the City's books, a closing resolution will be prepared to lapse appropriations and close inactive accounts in order to reallocate monies to active projects.

Year-end Surpluses

To the extent revenue estimates exceed budget, and are not needed to increase or maintain fund balance, a minimum of 20 percent of the overage shall be earmarked for capital improvements or deferred maintenance.

Acknowledgements

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We sincerely regret any inadvertent spelling errors or omissions.